

**Logan Township Board of Education**

**For The Year Ended June 30, 2023**

**Logan Township Board of Education**

**Logan Township, New Jersey**

**Annual Comprehensive Financial Report**

**For The Year Ended June 30, 2023**



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# **Introductory Section**

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January 10, 2024

Honorable President and Members of the Board of Education  
Logan Township School District  
County of Gloucester, New Jersey

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (CAFR) of the Logan Township School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Logan Township School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

## REPORTING ENTITY AND ITS SERVICES

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

The School District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include general education as well as special education for children with special needs. The School District's enrollment, as of June 30<sup>th</sup> of each year, and for the past twelve fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	845	-2.72%
2021-2022	868	+2.96%
2020-2021	843	+0.84%
2019-2020	836	-2.11%
2018-2019	854	2.28%
2017-2018	835	-0.95%
2016-2017	843	-0.82%
2015-2016	850	0.83%
2014-2015	843	0.48%
2013-2014	839	0.12%
2012-2013	838	-4.66%
2011-2012	879	0.57%

As you can see, this past year, we have suffered the greatest decrease in enrollment since the 2012-2013 school year.

## ECONOMIC CONDITION AND OUTLOOK

Several large industrial parks are located in Logan Township. The Logistic Center at Logan comprises 1,100 acres, the Logan North Industrial Park covers another 415 acres, the Port Logistics Center at Logan a further 200 acres, the expanding Commodore Business Park along the Route 322 corridor shared with adjacent Woolwich Township encompasses 450 acres in Logan, and the Pureland Industrial Complex sprawling 3,000 acres. Since 1977, Logan Township has grown into the East Coast's largest industrial area and became an ideal base for Eastern Regional, as well as, North American operations for many of its business partners.

The Logan Township population increased from 3,078 in 1980 to 6032 people, 2001 households and 1610 families residing in the township as of the 2000 census.

The continuing increase in commercial and industrial ratables has softened the effect of tax increases on residential property over the years. However, since school districts are unable to increase their school tax levy by no more than 2% each year, this ratable increase has had **NO** positive effect on our district, Contrary to what most would think, the ratable increase has a **negative** effect on our school district, since the NJDOE considers the Township of Logan to be wealthier and therefore, based on S2 legislation, the NJDOE has decreased our state funding by a little less than \$4,000,000 over the past six years.

- 2013 - \$1,048,963,089
- 2014 - \$1,045,919,769
- 2015 - \$1,033,308,512
- 2016 - \$1,052,335,560
- 2017 - \$1,064,176,460
- 2018 - \$1,384,277,890
- 2019 - \$1,422,687,640
- 2020 - \$1,456,775,440
- 2021 - \$1,512,045,740
- 2022 - \$1,651,897,340
- 2023 - \$1,815,851,400

## MAJOR INITIATIVES

- Logan Township is considered an innovative school district, which places a priority on excellence, equity and student academic, social and emotional growth. The district is extremely proud of the academic achievement of our students as reflected by the ranking we have achieved when compared with other Gloucester County School Districts in the past. These higher-than-average assessment scores over the years shows that the money spent in district has been used **wisely**, namely, it has been spent for teaching and learning so that all students' academic, social and emotional needs are met! However, the recent and on-going **drastic** state aid cuts over the past six years (totaling \$3,685,302 through FY2024) has taken its toll on all aspects of the academic, social and emotional programs we provide our K to 8<sup>th</sup> grade students, which is beginning to be noticed in the district's assessment scores.
- The School District strives to remain on the cutting edge in the area of technology in order that our students have the proper technological skills that are required in the 21<sup>st</sup> century workplace environment, which proved extremely beneficial, during the pandemic, when schools were forced to teach remotely. Logan Township School District has been committed to providing an infrastructure, which supports the ever-growing integration of technology to increase effectiveness and efficiency. Over the past ten years, due to the employing a Supervisor of Curriculum, Instruction, Assessment and Data & a full-time Chief Academic Officer, there is on-going communication and coordination in-district to fully integrate technology into daily instruction and usage, thus mirroring tomorrow's work environment. Chromebooks are used on a daily basis, giving students the opportunity to compose on the computer on a regular basis as early as second grade. During the pandemic, Chromebooks were purchased for the districts' youngest student (grades K and 1), thanks to ARP/ESSER funds. Hatch Tables are used in our Pre-K classes to have students develop language while using technology. Besides these resources, the district continues to dedicate 3 district staff members to provide support for the various technological needs (both in the classroom and in school and district offices) to maintain a 21<sup>st</sup> century technology-centric environment. This type of support has proven invaluable during the pandemic and afterwards, as our students and teachers used the expertise of the Technology Department to successful teach and learn in a remote/hybrid environment. Over the past, Technology Education (S.T.E.M./Science, Technology, Engineering and Mathematics) had been provided for many students in the elementary and middle schools but has recently been reduced in breadth due to the above-mentioned **drastic** state aid cuts.
- Logan Township School District had offered before school classes to 8<sup>th</sup> grade students interested in advanced courses including: Italian I (partially funded through an Italian Consulate grant) and Spanish I. However, due to the above-mentioned drastic state aid cuts and to the inability to find certified Spanish teachers to replace the recently retired Spanish teacher, Spanish can no longer be offered to the district students. Eighth grade students who meet district criteria still have the opportunity to enroll in Algebra I. All students in 1<sup>st</sup> through 7<sup>th</sup> grades have weekly instruction in the Italian language. Italian classes are currently offered to students in grades 2, 3, 6, 7, 8.
- The Arts continue to be integral to meet our community's expectations with concerts and a spring musical being important programs for the community (when not in a pandemic year). Performing Arts activities provide opportunities for students to share their particular talent. As our schools are centered in a culturally diverse community, our faculty is dedicated to ensuring equitable access to all students in each of these programs. The district has offered after school programs and clubs, which has provided students the opportunity to participate in drama, choir, dance, art, athletics, and many other extra-curricular areas, thanks to funds received from the Home and School League, and the federally funded ESSER and ARP grants. We are grateful that the awarding of a School Transformation Grant, which we shared with three other districts and Rowan University over the past four years, had helped us provide some afterschool and summer programs for our students.
- The School District continues to be a leader in pre-school education. A state grant (ELLI) had been used for many years to serve the at-risk preschool population. In 2010, the School District was able to utilize ARRA Federal Stimulus Funds to expand the pre-school program to provide a more inclusive educational environment. During the 2017-2018 school year, the district applied for and was fortunate enough to be awarded a PEEA grant in the amount of \$654,940, which allowed the School District to open **four free full-day** classrooms for the district's four-year-old students. In the summer of 2018, the district applied for and was awarded the PEEA Expansion Grant for a total amount of \$982,410, which expanded full day services to 37 additional three-year-old students. Over the past few years, the NJDOE has approved applications to

increase the district's full day PreK program to 10 classrooms. We are proud that our PreK classes now **fully** include students with Special Needs in the PreK classrooms.

- The School District continues to be proactive in addressing building maintenance issues. Many components of the Five-Year Facility Maintenance Plan have been addressed. These include upgrades to the security cameras to include new placements in corridors and additional placements around the exterior of the Logan Schools building and the Francis E. Donnelly Early Childhood Center as well as various safety upgrades to the physical plant on both campuses. Energy-cost savings initiatives include changes to the lighting in both district buildings. Several years ago, the School District was successful in their application for four R.O.D. (Regular Operating District) Grants which, include replacing Logan School's cooling tower, the addition of an HVAC cooling system to the gymnasium, replacing the boiler, and replacing exterior doors at the Logan Schools building. The School District was able to completely pay down long-term debt, which was accomplished in the 2018-2019 school year. This provided the School District with the opportunity to ask the voters to support a \$7.8 million Bond Referendum (which was passed in January 2019 by a 81% majority vote) in order to take care of major capital projects that could never be paid for, while keeping the district's budget within our budget cap. The referendum projects included a new roof on the larger of our two buildings, safety and security upgrades, lighting upgrades, HVAC projects, parking lot paving, new windows etc. The referendum reduced the strain from our capital/maintenance budgets during the time we are experiencing a significant reduction in state aid. The district, once again, applied in May 2023 for another round of R.O.D. Grants to help with safety and security improvements for the district. However, sadly, we were not fortunate enough to be awarded any additional R.O.D. grant funds.
- District curricula are continually being revised by teams of teachers, under the direction of the District's Chief Academic Officer and the Supervisor of Curriculum, Instruction, Assessment and Data, because the district is committed to maintaining alignment to the New Jersey Student Learning Standards (NJSLS) and to the Next Generation Science Standards (NGSS). A continuous upgrading of instructional resources and teacher training, provided as a result of the partnership of the Chief Academic Officer and the schools' principals, succeed in focusing the teaching and learning on the State's Standards. Focus continues to be on implementing the Marzano Causal Framework for Teaching and Learning as the foundation for the successful implementation of the Marzano Teacher Evaluation System.
- Over the past several years, the School District has partnered with Rowan University's and Dr. Shelley Zion in an effort to review the district curricula through a culturally responsive lens, which provides staff and students to teach and learn from multiple perspectives. In the fall of 2019, the district was notified that they, as well as Rowan University, were one of four districts which were awarded a four-year grant, sponsored by the USDOE in the amount of \$2.4 million. All four districts are committed to equity and access for all students, families, communities and staff. The four districts continue to value cultural, linguistic, economic and ability diversity, as well as all other forms, of the people in our schools, communities and world. The grant expires as of September 2023, but carry-over funds will be used in the FY2024.
- Professional Learning Opportunities are carefully planned and executed. Training in the various elements of the Marzano Evaluation Model, on the ever-changing technology world, on development of assessments, which inform instruction and on the area of equity are the foci of professional learning opportunities. A comprehensive mentor plan outlines services and support provided to teachers new to the profession.

## **INTERNAL ACCOUNTING CONTROLS**

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

As a recipient of federal and state financial assistance, the district also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluations by the district management.

As part of the School District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the district has complied with applicable laws and regulations.

## **BUDGETARY CONTROLS**

In addition to internal accounting controls, the School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or included as re-appropriations of fund balance in the subsequent year.

## **ACCOUNTING SYSTEM AND REPORTS**

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

## **FINANCIAL POLICIES**

The intent of the School Board is to ensure that the School District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

## **OTHER INFORMATION**

### *INDEPENDENT AUDIT*

State statutes require an annual audit by independent certified public accountants. The accounting firm of Ford, Scott & Associates, L.L.C, was appointed by the Board of Education as of June 2023. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and combining statements and related major fund supporting statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the Single Audit section of this report.


**ACKNOWLEDGEMENTS**

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

Respectfully submitted,



Superintendent



School Business Administrator

**LOGAN TOWNSHIP BOARD OF EDUCATION**

**SUPERINTENDENT**

- Administrative Assistant
- Board Secretary

- School Solicitor
- School Auditor
- Treasurer of School Moneys

District Secretary

**BUSINESS ADMINISTRATOR**

- Administrative Assistant
- Cafeteria Manager
- Cafeteria Staff

**FACILITIES MANAGER**

- Maintenance Supervisor
- Custodians
- Bus Coordinator

**PRINCIPALS**

- Counselors
- School Area Coordinators
- Instructional Aides
- One-on-One Aides
- Classroom Aides
- Cafeteria Playground Aides

**PRINCIPALS**

- Basic Skills
- Information Technology Mgr.
- Assistant ITM
- Technology Coach
- School Physician
- Nurse(s) & Aide
- Secretaries
- District Secretary

**SUPV. STUDENT SERVICES**

- Child Study Team
- Speech
- Gifted & Talented
- E.L.L.
- Instructional Aides
- One-on-One Aides
- Secretary

**Teachers**

- Classroom Aides

**LOGAN TOWNSHIP BOARD OF EDUCATION**  
**LOGAN TOWNSHIP, NEW JERSEY**

**ROSTER OF OFFICIALS**  
**JUNE 30, 2023**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Carolyn W. Kegler, President	2024
Lyn Nae Hill, Vice-President	2025
Stephen Asay	2023
Dr. Brian Bowen	2024
Melissa Hazelton	2023
Kristen Lombardo	2024
Kelley Mason	2025
Alexis Rhone	2023
John Russell	2025
<b><u>Other Officials</u></b>	
Patricia L. Haney, Superintendent	
Dawn L. Leary, Business Administrator	
Lisa Toff, Board Secretary	
Charles Owens, Treasurer of School Monies	



**LOGAN TOWNSHIP BOARD OF EDUCATION**  
**CONSULTANTS AND ADVISORS**

**AUDIT FIRM**

**Ford, Scott & Associates, L.L.C.**  
**1535 Haven Avenue**  
**Ocean City, New Jersey**

**ATTORNEY**

**Joseph F. Betley, Esq.**  
**Capehart & Scatchard**  
**9000 Midlantic Drive, Suite 300**  
**PO Box 5054**  
**Mount Laurel, NJ 08054-1539**

**OFFICIAL DEPOSITORIES**

**Fulton Bank of NJ**  
**22 Village Center Drive**  
**Swedesboro, NJ 08085**

**FINANCIAL ADVISOR**

**Capital Financial Advisors, Inc,**  
**Robbi Acampora**  
**8000 Midlantic Drive, Suite 110S**  
**Mount Laurel, NJ 08054**

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## **Financial Section**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

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## **Independent Auditor's Report**

Honorable President and  
Members of the Board of Education  
Logan Township School District  
County of Gloucester, New Jersey

### **Report on the Audit of 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 Logan Township School District, in the County of Gloucester, New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Logan Township School 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), 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Logan Township School 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.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, 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 Logan Township School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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 of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- exercise professional judgement 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 the 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 entity's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether in our judgement there are conditions or events considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charge 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.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Logan Township School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal 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 (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections 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 combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2024 on our consideration of the Logan Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Logan Township School District's internal control over financial reporting and compliance.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Leon P. Costello*

Leon P. Costello  
Certified Public Accountant  
Licensed Public School Accountant  
No. 767

January 10, 2024

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**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART 1**

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

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

**Financial Highlights**

Key financial highlights for 2023 are as follows:

- In total, net position decreased \$2,167,079, which represents an increase of approximately 20 percent from prior year.
- General revenues accounted for \$20,611,176 in revenue or 92 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for 1,876,544 or 8 percent of total revenues of \$22,487,720.
- Total assets of governmental activities decreased \$3,188,097 as cash and cash equivalents decreased by \$1,677,202, receivables decreased by \$73,033, and net capital assets decreased by \$1,465,722.
- The School District had \$24,654,799 in expenses; \$1,876,544 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$20,706,258 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$21,381,724 in revenues and \$22,033,049 in expenditures. The General Fund's fund balance decreased \$921,505 from 2022.

**Using this Annual Comprehensive Financial Report (ACFR)**

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the school district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the school district's most significant funds with all other non-major funds presented in total in one column. In the case of Logan Township School District, the General Fund is by far the most significant fund.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Reporting the School District as a Whole**

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during FY 2023?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School District have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Latchkey enterprise funds are reported as a business activity.

**Reporting the School District's Most Significant Funds**

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Reporting the School District's Most Significant Funds (Continued)**

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

**Notes to the 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 School District as a Whole**

Recall that 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 government's financial position.

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

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**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

Table 1 provides a summary of the School District's net position for 2023 and 2022.

**Table 1  
Net Position**

	<u>2023</u>	<u>2022</u>
<b>Assets</b>		
Current and Other Assets	\$ 7,240,633	9,368,901
Capital Assets	12,419,421	14,286,641
	<u>19,660,054</u>	<u>23,655,542</u>
<b>Deferred Outflows of Resources</b>		
Deferred Outflows Related to Pensions	<u>182,194</u>	<u>374,031</u>
<b>Liabilities</b>		
Long-Term Liabilities	8,885,076	8,893,987
Other Liabilities	1,593,534	2,779,005
	<u>10,478,610</u>	<u>11,672,992</u>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows Related to Pensions	<u>797,126</u>	<u>1,622,990</u>
	<u>797,126</u>	<u>1,622,990</u>
<b>Net Position</b>		
Net Investment in Capital Assets	5,744,421	8,165,235
Restricted	3,655,132	4,931,552
Unrestricted	(833,041)	(2,363,196)
	<u>8,566,512</u>	<u>10,733,591</u>
Total Net Position	<u>\$ 8,566,512</u>	<u>\$ 10,733,591</u>

The overall decrease in net position is the result of the operations in the current year. The variance in the restricted and unrestricted net position is primarily due to the classification of committed balances reflected as restricted in the prior year.

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**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

Table 2 shows changes in net position for fiscal year 2023 and 2022

**Table 2  
Changes in Net Position**

	2023	2022
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 213,940	918
Operating Grants and Contributions	1,662,604	6,964,225
General Revenues:		
Property Taxes	14,302,131	13,948,472
Grants and Entitlements	6,850,129	3,175,198
Other	(541,084)	871,053
Total Revenues	22,487,720	24,959,866
<b>Program Expenses</b>		
Instruction	5,806,042	7,352,243
Support Services:		
Tuition	3,985,496	3,894,048
Student and Instructional Related Services	3,731,294	3,173,581
General and School Administration, Business	1,087,666	992,180
Operations and Maintenance of Facilities	1,621,256	1,264,121
Pupil Transportation	1,794,232	1,066,732
Unallocated Benefits	5,980,231	5,261,264
Charter Schools	11,673	2,190
Interest on Debt	188,433	195,450
Unallocated Depreciation		900,789
Food Service	448,476	485,545
Other		
Total Expenses	24,654,799	24,588,143
Increase in Net Position	\$ (2,167,079)	371,723

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**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Governmental Activities**

Property taxes made up 65% of revenues for governmental activities for the Logan Township School District for fiscal year 2023. The School District's total governmental revenues were \$22,126,149 for the year ended June 30, 2023. Charges for services, federal, state, and local grants accounted for 6% of revenue.

The total cost of all program and services was \$24,206,323. Instruction comprises 24% of District expenses.

**Business-Type Activities**

Revenues for the District's business-type activities (food service & latchkey program) were comprised of charges for services and federal and state reimbursements.

- Expenses exceeded revenues by \$86,905.
- Charges for services represent \$193,520 of revenue. This represents amounts paid by patrons for daily food service and childcare services.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$263,133.

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

**Table 3**

	<u>Total Cost of Services 2023</u>	<u>Net Cost of Services 2023</u>	<u>Total Cost of Services 2022</u>	<u>Net Cost of Services 2022</u>
Instruction	\$ 8,656,546	8,574,680	7,352,243	5,852,070
Support Services:				
Tuition	3,985,496	3,985,496	3,894,048	3,894,048
Student and Instructional Staff	5,200,780	4,026,404	3,173,581	1,889,526
General Administration, School				
Admin & Business Services	1,516,018	1,490,610	992,180	992,180
Operation of Plant	2,146,528	2,050,201	1,264,121	1,264,121
Pupil Transportation	2,500,849	2,458,935	1,066,732	1,066,732
Unallocated Benefits			5,261,264	1,720,281
Unallocated Depreciation			900,789	900,789
Interest and Finance Charges	188,433	188,433	195,450	195,450
Charter School	11,673	11,673	2,190	2,190
Food Service	448,476	(8,177)	485,545	(154,387)
Total Expenses	<u>\$ 24,654,799</u>	<u>22,778,255</u>	<u>24,588,143</u>	<u>17,623,000</u>



**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Tuition is predominately made up of charges for private schools for disabled students.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration, and business include expenses associated with administrative and financial supervision of the School District.

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

"Other" includes special schools and a loss on the disposal of capital assets.

None of the variances are unusual or unexpected.

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$24,570,140 and expenditures were \$25,728,666. The net decrease in fund balance of operations for the year was (\$1,158,526).

As demonstrated by the various statements and schedules included in the financial section of this report, the School District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2023, and the amount and percentage of increases and decreases in relation to prior year revenues.

<b>Revenue</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from 2022</b>	<b>Percent of Increase (Decrease)</b>
Local Sources	\$ 14,904,612	60.7%	85,087	0.6%
State Sources	8,637,885	35.2%	(563,917)	-6.1%
Federal Sources	1,027,643	4.2%	408,723	66.0%
Total	<u>\$ 24,570,140</u>	100.0%	<u>(70,107)</u>	-0.3%

There were not significant changes in the revenue compared to FY 2022.

The following schedule represents a summary of general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2023, and the percentage of increases and decreases in relation to prior year amounts.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

<b>Expenditures</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from 2022</b>	<b>Percent of Increase (Decrease)</b>
Current expense:				
Instruction	\$ 7,081,934	27.5%	(270,309)	-3.7%
Undistributed expenditures	17,741,375	69.0%	1,307,950	8.0%
Capital Outlay	338,122	1.3%	(306,641)	-47.6%
Special Schools & Charter Schools	11,673	0.0%	11,673	
Debt Service:				
Principal	365,000	1.4%	20,000	5.8%
Interest	190,562	0.7%	(6,900)	-3.5%
Total	<u>\$ 25,728,666</u>	100.0%	<u>755,773</u>	3.0%

Changes in expenditures were the results of varying factors. The significant change in Capital Outlay is partly due to no current construction projects going on within District.

**General Fund Budgeting Highlights**

The School District's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line-item accounts.

- On-behalf TPAF Pension contributions appear as both a revenue and an expense in the School District's financial statements. The State of New Jersey made on behalf TPAF Pension Contributions of \$2,553,536 for FY 2023 and also made on-behalf TPAF post-retirements contributions of \$670,808 and long-term disability insurance for the School District in the amount of \$1,227.
- The State of New Jersey reimbursed the District for TPAF Social Security contributions made during the school year. The amount of \$512,459.

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**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

**Capital Assets**

At the end of the fiscal year 2023, the School District had \$12,427,424 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2023 balances compared to 2022.

**Table 4  
Capital Assets (Net of Depreciation) at June 30,**

	<u>2023</u>	<u>2022</u>
Land	\$ 115,872	115,872
Construction in Progress		
Site Improvements	1,062,695	174,503
Buildings & Improvements	10,436,124	12,955,418
Machinery and Equipment	804,730	1,040,851
Subscription Assets	8,003	
Total	<u>\$ 12,427,424</u>	<u>14,286,644</u>

**Debt Administration**

At June 30, 2023, the School District had the following debt outstanding.

**Table 5  
Bonded Outstanding Debt as of June 30,**

	<u>2023</u>	<u>2022</u>
2021 General Obligation Bonds	\$ 6,675,000	7,040,000
Subscription Liability	8,003	12,004
Pension liability	1,960,296	1,586,697
Compensated Absences	241,777	267,290
Total	<u>\$ 8,885,076</u>	<u>8,905,991</u>

As of June 30, 2023, the School District was within its overall legal debt margin.

**For the Future**

The future of state aid is uncertain for New Jersey School Districts, especially those with declining enrollment over the past ten years (Logan Township is one of those districts).

The Logan Township School District was notified in late June of 2017 of a loss in state aid in the amount of \$108,328. This situation was exacerbated as a result of ongoing state aid reductions over the past six years and is projected to continue for one more year, as a result of S2 legislation. Overall, the total loss for the School District, due to the S2 legislation, is a reduction of the district Equalization Aid by 100%. (Equalization Aid made up 77% of the total state aid Logan received.) State aid cuts over the past five years included:

- o \$232,800 in FY2019
- o \$492,502 in FY2020
- o \$749,883 in FY2021

**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

- o \$947,715 in FY2022
- o \$765,718 in FY 2023 and
- o \$546,816 in FY 2024

There continues to be a gloomy financial outlook through no fault of the district. Previous to the S2 legislation, the district received \$5,215,466 in state aid. The state has notified us that we should project to have the district's state aid cut by a total of close to \$4million by FY2025, which includes the following projections in continued state aid loss.

- o \$172,679 in FY 2025

Due to this continuous reduction in state aid, the district has been forced to reduce staff. Up to this point, most of this reduction in staff has been achieved through attrition, not through RIFs, but this is projected to change in the coming years, as the state aid cuts continue to slaughter this district.

Besides being on the receiving end of these catastrophic cuts, the district which receives 2/3 of our high school resident students, namely, Kingsway Regional School District, continues to increase the tuition Logan Township School District is being charged because Kingsway has received an increase in state aid and therefore, they can spend more on their students. Couple those two factors (decrease in state aid and the steady increases in high school tuition) with the fact that the district is still not able to exceed raising taxes by more than the 2% of the tax levy, the financial future of the school district is bleak, again, through no fault of the district.

In the past, the district's New Jersey State Learning Assessment (NJSLA) scores for all tested grades 3 to 8 had been one of the highest in the county and across the state. These high assessment scores point to the fact that the money which was spent over the years in the district has been put to good use, namely it was spent for teaching and learning so that ALL students can achieve!

The School District has been able to make deposits into capital and maintenance reserves, which has paid for- improvements in facilities over the years.

The School District was able to completely pay down long-term debt, which was accomplished in the 2018-2019 school year. This provided the School District with the opportunity to present to the voters a \$7.8 million Bond Referendum (which was passed in January 2019 by a 81% majority vote) in order to take care of major capital projects that could never fall within the district budget cap. The projects include a new roof on the larger of our two buildings, safety and security upgrades, lighting upgrades, HVAC projects, parking lot paving, and new windows, etc. The referendum allowed the district to take some pressure off of our capital/maintenance budgets during the time we continue to experience a significant reduction in state aid.

The School District once again successfully negotiated a three-year Collective Bargaining Agreement with the Logan Teacher Education Association (LTEA) in March 2022, which extends through June 2025.

The School District is proud of its community support of the public schools. The Board of Education has supported innovative programs in the past and had hoped to continue their support in the future for such programs as the Arts (Music, Art and Drama). Due to the massive state aid cuts, our Pre-Engineering program has been cut. Various community organizations and parents, such as the Home and School League, have helped with supporting the afterschool programs. The district was also able to use federal ESSER funds and ARP funds to fund some valuable after-hours programs, but once the ESSER grants expire, the district will not have a resource to support these much-needed programs.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023  
UNAUDITED (CONTINUED)**

The School District expects limited growth in enrollment over the next few years. The current schools' capacity is sufficient to accommodate this growth. It may be many years before any proposal for housing development (which would have significant impact upon the district) takes hold. The district continues to approach this subject with the mayor at meetings which are held yearly.

In summary, the Logan Township School District is very concerned about how they will meet the fiscal challenges described above, in the future.

**Contacting the School District's Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Business Administration/Board Secretary at Logan Board of Education, 110 School Lane, Logan Township, NJ 08085. Please visit our website at [www.logan.k12.nj.us](http://www.logan.k12.nj.us).

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# **BASIC FINANCIAL STATEMENTS**

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## **DISTRICT-WIDE FINANCIAL STATEMENTS**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Statement of Net Position**  
**June 30, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 5,979,605	420,563	6,400,168
Receivables, Net	800,519	12,086	812,605
Internal Balances	18,916	(18,916)	-
Inventory		19,857	19,857
Subscription Assets	8,003		8,003
Capital Assets			
Assets not depreciated	884,700		884,700
Capital Assets being Depreciated, net	11,261,921	272,800	11,534,721
<b>Total Assets</b>	<b>18,953,664</b>	<b>706,390</b>	<b>19,660,054</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	182,194		182,194
<b>LIABILITIES</b>			
Accounts Payable	761,137	-	761,137
Payroll Taxes Payable	95,120		95,120
Accrued Salaries and Wages	277,447		277,447
Payable to Federal Government	52,788		52,788
Unearned Revenue	333,911	20,011	353,922
Accrued Interest	53,120		53,120
Noncurrent Liabilities			
Due Within One Year	414,412		414,412
Due Beyond One Year	6,510,368		6,510,368
Net Pension Liability	1,960,296		1,960,296
<b>Total Liabilities</b>	<b>10,458,599</b>	<b>20,011</b>	<b>10,478,610</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	797,126		797,126
<b>Total Deferred Outflows of Resources</b>	<b>797,126</b>	<b>-</b>	<b>797,126</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,471,621	272,800	5,744,421
Restricted for:			
Capital Projects	1,195,495		1,195,495
Debt Service	4,601		4,601
Other Purposes	2,425,868		2,425,868
Scholarships	4,513		4,513
Student Activities	24,655		24,655
Unrestricted (Deficit)	(1,246,620)	413,579	(833,041)
<b>Total Net Position (Deficit)</b>	<b>\$ 7,880,133</b>	<b>686,379</b>	<b>8,566,512</b>

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

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

Function/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Indirect Costs Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
<b>Instruction:</b>							
Regular	3,282,108	1,612,220		(930,520)	(5,824,848)	-	(5,824,848)
Special Education	2,241,255	1,099,597	20,420	1,072,012	(2,248,420)		(2,248,420)
Other Special Instruction	282,679	138,687		(80,046)	(501,412)		(501,412)
<b>Support Services:</b>							
Tuition	3,985,496	-			(3,985,496)		(3,985,496)
Student & Instruction Related Services	3,731,294	1,469,486		1,174,376	(4,026,404)		(4,026,404)
General Administration and Business Services	416,736	164,122		9,735	(571,123)		(571,123)
School Administrative Services	260,798	102,709		6,092	(357,415)		(357,415)
Plant Operation and Maintenance	1,621,256	525,272		96,327	(2,050,201)		(2,050,201)
Pupil Transportation	1,794,232	706,617		41,914	(2,458,935)		(2,458,935)
Central Services	410,132	161,521		9,581	(562,072)		(562,072)
Unallocated Benefits	5,980,231	(5,980,231)			-		-
Charter Schools	11,673				(11,673)		(11,673)
Interest on Long-Term Debt	188,433				(188,433)		(188,433)
<b>Total Governmental Activities</b>	<u>24,206,323</u>	<u>-</u>	<u>20,420</u>	<u>1,399,471</u>	<u>(22,786,432)</u>	<u>-</u>	<u>(22,786,432)</u>
<b>Business-Type Activities:</b>							
Food Service	448,476	-	193,520	263,133	-	8,177	8,177
<b>Total Business-Type Activities</b>	<u>448,476</u>	<u>-</u>	<u>193,520</u>	<u>263,133</u>	<u>-</u>	<u>8,177</u>	<u>8,177</u>
<b>Total Primary Government</b>	<u>24,654,799</u>	<u>-</u>	<u>213,940</u>	<u>1,662,604</u>	<u>(22,786,432)</u>	<u>8,177</u>	<u>(22,778,255)</u>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes, Levied for General Purposes					14,165,765		14,165,765
Taxes Levied for Debt Service					136,366		136,366
Federal and State Aid not Restricted					6,850,129		6,850,129
Investment Earnings					47,153	7,340	54,493
Restricted Revenue					8,326		8,326
Miscellaneous Income					482,936		482,936
<b>Special Items:</b>							
Bond Sale Premium							-
Fixed Assets Adjustment					(984,417)	(102,422)	(1,086,839)
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers</b>					<u>20,706,258</u>	<u>(95,082)</u>	<u>20,611,176</u>
<b>Change in Net Position</b>					<u>(2,080,174)</u>	<u>(86,905)</u>	<u>(2,167,079)</u>
<b>Net Position (Deficit) - Beginning</b>					9,960,307	773,284	10,733,591
<b>Net Position (Deficit) - Ending</b>					<u>7,880,133</u>	<u>686,379</u>	<u>8,566,512</u>

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

## **FUND FINANCIAL STATEMENTS**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2023**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 5,026,651	\$ 29,759	918,594	\$ 4,601	\$ 5,979,605
Due from Other Funds	286,955				286,955
Intergovernmental Accounts Receivable					
Federal		358,230			358,230
State	293,635	64,998			358,633
Other Receivables	83,656				83,656
<b>Total Assets</b>	<u>5,690,897</u>	<u>452,987</u>	<u>918,594</u>	<u>4,601</u>	<u>7,067,079</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	582,020	179,117			761,137
Due to Other Funds		40,375	227,664		268,039
Payroll Taxes Payable	95,120				95,120
Accrued Salaries and Wages	277,447				277,447
Payable to Federal Government		52,788			52,788
Unearned Revenue		333,911			333,911
<b>Total Liabilities</b>	<u>954,587</u>	<u>606,191</u>	<u>227,664</u>	<u>-</u>	<u>1,788,442</u>
Fund Balances:					
Restricted for:					
Excess Surplus - Current Year	276,494				276,494
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	1,474,381				1,474,381
Capital Projects Fund			690,930		690,930
Debt Service				4,601	4,601
Capital Reserve	504,565				504,565
Maintenance Reserve	752,312				752,312
Unemployment Claims	105,053				105,053
Student Activities		24,655			24,655
Scholarships		4,513			4,513
Assigned to:					
Designated for					
Subsequent Year's Expenditures	944,170				944,170
Other Purposes	1,092				1,092
Unassigned					
General Fund	678,243				678,243
Special Revenue Fund		(182,372)			(182,372)
	<u>4,736,310</u>	<u>(153,204)</u>	<u>690,930</u>	<u>4,601</u>	<u>5,278,637</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,690,897</u>	<u>\$ 452,987</u>	<u>\$ 918,594</u>	<u>\$ 4,601</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. The cost of the assets is \$30,444,474 and the accumulated depreciation is \$18,297,853.

12,146,621

Subscription assets used in governmental activities are not financial resources and therefore are not reported in the funds.

8,003

Interest on long-term debt in the statement of activities is accrued, regardless of when due.

(53,120)

Pension Liabilities Net of Deferred Outflows & Inflows

(2,575,228)

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

(6,924,780)

Net Position of governmental activities

7,880,133

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 14,165,765			136,366	14,302,131
Tuition Charges	20,420				20,420
Interest Earned on Investments	42,653		4,500		47,153
Other Restricted Miscellaneous Revenues	8,326				8,326
Miscellaneous	482,936	43,646			526,582
Total Local Sources	14,720,100	43,646	4,500	136,366	14,904,612
State Sources	6,661,624	1,787,756		188,505	8,637,885
Federal Sources	-	1,027,643			1,027,643
Total Revenues	21,381,724	2,859,045	4,500	324,871	24,570,140
<b>EXPENDITURES</b>					
Current:					
Regular Instruction	4,005,479				4,005,479
Special Education Instruction	1,025,230	1,706,663			2,731,893
Other Special Instruction	344,562				344,562
Support Services:					
Tuition	3,985,496				3,985,496
Student & Instruction Related Serv.	2,281,504	1,369,359			3,650,863
General Administrative Services	407,752				407,752
School Administrative Services	255,176				255,176
Plant Operation and Maintenance	1,305,011				1,305,011
Pupil Transportation	1,755,555				1,755,555
Central Services	401,291				401,291
Unallocated Employee Benefits	5,980,231				5,980,231
Transfer to Charter School	11,673				11,673
Debt Service:					
Principal				365,000	365,000
Interest and Other Charges	1,137			189,425	190,562
Capital Outlay	272,952	65,170	-		338,122
Total Expenditures	22,033,049	3,141,192	-	554,425	25,728,666
Excess (Deficiency) of Revenues Over Expenditures	(651,325)	(282,147)	4,500	(229,554)	(1,158,526)
Transfer in		270,180	-	232,164	502,344
Transfer out	(270,180)		(232,164)		(502,344)
Total Other Financing Sources and Uses	(270,180)	270,180	(232,164)	232,164	-
Net Changes in Fund Balance	(921,505)	(11,967)	(227,664)	2,610	(1,158,526)
Fund Balance - July 1	5,657,815	(141,237)	918,594	1,991	6,437,163
Fund Balance - June 30	\$ 4,736,310	(153,204)	690,930	4,601	5,278,637

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



**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2023**

Total Net Change in Fund Balance - Governmental Funds (from B-2)		(1,158,526)
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p>		
Depreciation expense	(804,733)	
Loss on Disposal of Capital Assets	(984,417)	
Amortization expense	(4,001)	
Capital Outlay	50,628	(1,742,523)
<p>Repayment of bond principal and capital leases are expenditures 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.</p>		
Principal Repayments:		
Bonds Payable		365,000
Subscription Liability		4,001
<p>Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.</p>		
District pension contributions - PERS	260,428	
Cost of benefits earned net of employee contributions	163,804	424,232
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
		25,513
<p>In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.</p>		
		2,129
Change in Net Position of Governmental Activities		(2,080,174)

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

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

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	420,563	420,563
Interfund Accounts Receivable		-
Intergovernmental Accounts Receivable		-
Federal	5,574	5,574
State	328	328
Other	6,184	6,184
Inventories	19,857	19,857
 Total Current Assets	 <u>452,506</u>	 <u>452,506</u>
Noncurrent Assets:		
Furniture, Machinery & Equipment	487,530	487,530
Less: Accumulated Depreciation	(214,730)	(214,730)
Total Noncurrent Assets	<u>272,800</u>	<u>272,800</u>
 Total Assets	 <u><u>725,306</u></u>	 <u><u>725,306</u></u>
<b>LIABILITIES</b>		
Current Liabilities:		
Interfund Payable	18,916	18,916
Unearned Revenue	20,011	20,011
 Total Current Liabilities	 <u>38,927</u>	 <u>38,927</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets		
Related Debt	272,800	272,800
Unrestricted	413,579	413,579
 Total Net Position	 <u><u>686,379</u></u>	 <u><u>686,379</u></u>

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

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
Operating Revenues:		
Charges for Services:		
Reimbursable Program Daily Sales	\$ 108,021	108,021
Non-Reimbursable Program Daily Sales	85,499	85,499
Total Operating Revenue	<u>193,520</u>	<u>193,520</u>
Operating Expenses:		
Cost of Sales-Reimbursable	127,708	127,708
Cost of Sales- Non Reimbursable	36,624	36,624
Salaries and Wages	144,305	144,305
Fringe Benefits	36,111	36,111
Purchased Professional/Technical Services	34,035	34,035
Other Purchased Services (400-500 series)	8,160	8,160
Supplies and Materials	31,031	31,031
Depreciation	26,276	26,276
Miscellaneous	4,226	4,226
Total Operating Expenses	<u>448,476</u>	<u>448,476</u>
Operating (Loss)	(254,956)	(254,956)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	6,010	6,010
State School Breakfast Program	3,273	3,273
Federal Sources:		
National School Lunch Program	122,020	122,020
School Breakfast Program	30,355	30,355
Food Distribution Program	47,872	47,872
COVID-19 - Supply Chain	53,603	53,603
Prior year payable canceled	7,340	7,340
Total Nonoperating Revenues (Expenses)	<u>270,473</u>	<u>270,473</u>
Income (Loss) before Contributions & Transfers	15,517	15,517
Fixed Asset Adjustment	<u>(102,422)</u>	<u>(102,422)</u>
Changes in Net Position	(86,905)	(86,905)
Total Net Position - Beginning	<u>773,284</u>	<u>773,284</u>
Total Net Position - Ending	<u>\$ 686,379</u>	<u>686,379</u>

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

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2023**

	Business-Type Activities - Enterprise Fund	
	Food Service	Totals Enterprise
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers and Other Income	\$ 183,994	\$ 183,994
Payments for Food and Supplies	(199,262)	(199,262)
Payments for Employees and Benefits	(180,416)	(180,416)
Net Cash Provided by Operating Activities	<u>(195,684)</u>	<u>(195,684)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State Sources	9,468	9,468
Federal Sources	229,630	229,630
Interfunds	21,296	21,296
Net Cash Provided by Noncapital Financing Activities	<u>260,394</u>	<u>260,394</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Equipment	-	-
Net Cash Provided by Investing Activities	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	64,710	64,710
Balance - Beginning of Year	355,853	355,853
Balance - End of Year	<u>\$ 420,563</u>	<u>\$ 420,563</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income	(254,956)	(254,956)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:		
Depreciation and Net Amortization	26,276	26,276
Food Distribution Program	47,872	47,872
(Increase) Decrease in Inventories	444	444
(Increase) Decrease in Accounts Receivable	(6,184)	(6,184)
Increase (Decrease) in Accounts Payable	(5,794)	(5,794)
Increase (Decrease) in Unearned Revenue	(3,342)	(3,342)
Total Adjustments	<u>59,272</u>	<u>59,272</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (195,684)</u>	<u>\$ (195,684)</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS**

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**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Logan Township School District 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 chief school administrator is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education (Board) of the Logan Township School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

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

**A. REPORTING ENTITY**

The Logan Township School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II District, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The members are elected during the general election held in November each year. The purpose of the district is to educate students in grades PreK-8. The Logan Township School District had an enrollment at June 30, 2023 of 845 students.

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

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

Based on the aforementioned criteria, the District has no component units.

**B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The School District's food service program is classified as business-type activities.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

**C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB standards set forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

The following fund types are used by the School District:

**1. Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District

- a. **General Fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.



**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

- b. Special Revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. Capital Projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. 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.
- d. Debt Service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**Fund Balances – Governmental Funds**

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**2. Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The School District operates a food service fund to provide a child nutrition program for the students of the district.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

All fund internal activity is eliminated when carried to the Government-wide statements.

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**E. FINANCIAL STATEMENT AMOUNTS**

**1. Cash and Cash Equivalents:**

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. 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.

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

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**2. Investments:**

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

**3. Inventories:**

Inventories in the general fund consist of expendable supplies held for the School District’s use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2023, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food	\$	15,947
Supplies		3,910
	\$	19,857

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2023 is \$0.

**4. Capital Assets:**

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The School District includes all infrastructure assets as depreciable assets in the financial statements.

**5. Revenues:**

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses, and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**6. Expenditures:**

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**7. Compensated Absences:**

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

**8. Interfund Activity:**

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**9. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. 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. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
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Significant transfers approved by the Board of Education during the fiscal year were as follows:

Undist. Expend. - Speech, PT, OT & Related Services	
Purchased Professional - Educational Services	\$ (169,595)
Undist. Expend. - Other Support Services	
Purchased Professional - Educational Services	140,304
Undist. Expend. - Student Transportation	
Contr. Serv. - Special Education - Vendors	178,618
Unallocated Benefits - Employee Benefits	
Health Benefits	(170,358)

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

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

**10. Tuition Receivable:**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. The final cost is based on an agreement with various Boards of Education with a negotiated amount up to the final cost as determined by State of New Jersey.

**11. Tuition Payable:**

Tuition charges for the fiscal years 2022/23 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**12. Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

**13. Allocation of Costs:**

In the government-wide statement of activities, the School District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
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**F. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES**

Adopted Accounting Pronouncements

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

In May 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 96, "Subscription Based Information Technology Arrangements". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter. This standard did not have a significant effect on the School District's financial statements for the year ended June 30, 2023.

In June 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". This statement, which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter. This standard did not have any effect on the School District's financial reporting.

**G. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE**

In May 2019, the Governmental Accounting Standards Board (GASB) issued Statement No. 91, "Conduit Debt Obligations". This statement is effective for fiscal periods beginning after December 31, 2022, will not have any effect on the School District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 93, "Replacement of Interbank Offered Rates". This statement, which is effective for fiscal periods beginning after December 31, 2022, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In March 2020, the Governmental Accounting Standards Board (GASB) issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements". This statement, which is effective for fiscal years beginning after December 31, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No.99, "Omnibus 2022". This statement, and the requirements related to leases, PPP's and SBITAs which is effective for fiscal years beginning after June 15, 2022, and all reporting periods, thereafter, may have an effect on the School District's financial statements. This statement, and the requirements related financial guarantees and the classification and reporting of derivative instruments which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections (an amendment of GASB Statement No. 62)". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods, thereafter, will not have any effect on the School District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods, thereafter, will not have a significant effect on the School District's financial reporting.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 2 – CASH**

**Custodial Credit Risk—Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The district’s policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$1,729,213 of the School District’s bank balance of \$6,766,348 was exposed to custodial credit risk.

**NOTE 3 - INVESTMENTS**

As of June 30, 2023, the District had no investments:

**Interest Rate Risk.** The district does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investment to 397 days.

**Credit Risk.** New Jersey Statutes 18A:20-37 limits district investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the district or the local units in which the district is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The district places no limit on the amount the district may invest in any one issuer.

**NOTE 4 – RECEIVABLES**

Receivables at June 30, 2023, consisted of accounts (extraordinary services), interfund, intergovernmental, and other revenues. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Business-Type Activities Financial Statements	Government Wide Financial Statements
	<u>                    </u>	<u>                    </u>	<u>                    </u>
State Aid	\$ 358,633	\$ 328	\$ 358,961
Federal Aid	358,230	5,574	363,804
Other	83,656	6,184	89,840
Gross Receivables	<u>800,519</u>	<u>12,086</u>	<u>812,605</u>
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$ 800,519</u>	<u>\$ 12,086</u>	<u>\$ 812,605</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES**

As of June 30, 2023, several interfunds remained on the various balance sheets as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 286,955	\$
Special Revenue Fund		40,375
Capital Projects Fund		227,664
Food Service Fund		18,916
	\$ 286,955	\$ 286,955

The general fund receivable is comprised of funds due from the capital projects fund, Food Service and Special Revenue Fund. The interfund from special revenue interfund is to zero out the negative cash balance. The Food Service interfund is the result of Supply Chain funds incorrectly recorded.

**NOTE 6 – CAPITAL ASSETS**

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

	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 115,872	\$	\$	\$ 115,872
Total capital assets not being depreciated	115,872	-	-	115,872
Capital assets being depreciated:				
Land Improvements	874,103		1,023,559	1,897,662
Buildings and Improvements	27,722,146		(2,119,894)	25,602,252
Equipment	2,873,663	50,628	(95,603)	2,828,688
Total capital assets being depreciated at historical cost	31,469,912	50,628	(1,191,938)	30,328,602
Less accumulated depreciation for:				
Land Improvements	(699,603)	(66,952)	(68,412)	(834,967)
Buildings and Improvements	(14,766,728)	(649,580)	250,180	(15,166,128)
Equipment	(2,234,310)	(88,201)	25,753	(2,296,758)
Total capital assets being depreciated, net of accumulated depreciation	(17,700,641)	(804,733)	207,521	(18,297,853)
Governmental activity capital assets, net	\$ 13,885,143	\$ (754,105)	\$ (984,417)	\$ 12,146,621
<b>Business-type activities:</b>				
Capital assets being depreciated:				
Equipment	\$ 584,933	\$	\$ (97,403)	\$ 487,530
Less accumulated depreciation	(183,435)	(26,276)	(5,019)	(214,730)
Enterprise Fund capital assets, net	401,498	(26,276)	(102,422)	272,800
Grand Total	\$ 14,286,641	\$ (780,381)	\$ (1,086,839)	\$ 12,419,421

Depreciation expense was charged to governmental functions:



**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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Regular Instruction	\$	216,950
Special Education Instruction		147,968
Other Special Instruction		18,663
Student and Instruction Related Services		197,742
General Administration		22,085
School Administrative Services		13,821
Plant Operations and Maintenance		70,683
Pupil Transportation		95,086
Central Services		21,735
	\$	<u>804,733</u>

No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$189,425, for the entity wide statements this was modified by the change in accrued interest of (\$669); and the state charge back to the School District for debt service aid of \$1,137 for a total charge of \$189,893).

**NOTE 7 – LONG-TERM OBLIGATIONS**

Changes in long-term obligations for the year ended June 30, 2023 are as follows:

	Balance July 1, 2022	Issues or Additions	Payments or Expenditures	Balance June 30, 2023	Amounts Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 7,040,000	\$	\$ 365,000	\$ 6,675,000	\$ 380,000
Subscription Liability	12,004		4,001	8,003	4,001
Compensated Absences	267,290		25,513	241,777	
Net Pension Liability	1,586,697	373,599		1,960,296	
	<u>\$ 8,905,991</u>	<u>\$ 373,599</u>	<u>\$ 394,514</u>	<u>\$ 8,885,076</u>	<u>\$ 384,001</u>

Compensated absences and Net Pension Liability have been liquidated in the General Fund.

Bonds Payable

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

At June 30, 2023 bonds payable consisted of the following issues:

\$7,870,000 School Bonds dated March 21, 2019, due in annual installments through March 15, 2037, bearing interest at rates ranging from 2.00% to 3.00%. The balance remaining as of June 30, 2023, is \$6,675,000.

Debt service requirements on serial bonds payable at June 30, 2023 are as follows:

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 380,000	\$ 182,125	\$ 562,125
2025	395,000	174,525	569,525
2026	400,000	166,625	566,625
2027	415,000	158,625	573,625
2028	430,000	149,288	579,288
2029-2033	2,400,000	558,238	2,958,238
2034-2037	2,255,000	172,350	2,427,350
	<u>\$ 6,675,000</u>	<u>\$ 1,561,775</u>	<u>\$ 8,236,775</u>

**NOTE 8 – UNEARNED REVENUE**

The District has unearned revenue reflected on the Statement of Net Position in the District-Wide Financial Statements of \$353,922. This consists of unearned revenue of \$333,911 in the special revenue fund which is made up of grant proceeds on hand where the grant period overlaps the district's fiscal year and \$20,011 in the food service fund for student meals prepaid.

**NOTE 9 – PENSION PLANS**

Description of Plans - All required employees of the School District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/financial-reprts.shtml>

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS)

The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
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Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist. In addition to the employee contributions, the School District's contribution amounts for each pay period are required to be transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District has employees enrolled in the Defined Contribution Retirement Program (DCRP) for the fiscal year ended June 30, 2023.

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2023, 2022 and 2021 were \$3,225,571, \$3,532,094, and \$2,637,260 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2023, 2022 and 2021 were \$163,804, \$156,857, and \$164,255 respectively, equal to the required contributions for each year.

The Board's total payroll for the year ended June 30, 2023, was \$9,635,415. The TPAF covered payroll for the years ending June 30, 2023, 2022 and 2021 were \$7,318,761, \$7,226,750, and \$7,031,495. and the PERS covered payroll was \$1,088,477, \$965,130, and \$900,979.

During the fiscal years ended June 30, 2023, 2022 and 2021, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$512,459, \$519,095, and \$505,774, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB standards.

Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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

**LOGAN TOWNSHIP SCHOOL DISTRICT  
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death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to  $\frac{1}{60}$ <sup>th</sup> from  $\frac{1}{55}$ <sup>th</sup>, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a  $\frac{1}{7}$ <sup>th</sup> of the required amount, beginning in fiscal years 2012.

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Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006, report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**NOTE 10 – PENSION LIABILITIES – PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (PERS)**

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. The following information describes the District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the District's pension liabilities as June 30, 2022:

**Public Employees’ Retirement System**

The School District has a liability of \$1,960,296 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, that was rolled forward to June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion is 0.01298951330%, which is a decrease of 3.02% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$260,426. At December 31, 2022, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ 14,149	\$ (12,477)
Changes of assumptions	6,074	(293,534)
Net difference between projected and actual earnings on pension plan investments	81,135	-
Changes in proportion	80,836	(491,115)
Total	\$ 182,194	\$ (797,126)

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Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

Year ended June 30,			
2024	\$	(562,081)	
2025		(207,012)	
2026		(14,545)	
2027		170,028	
2028		<u>(1,322)</u>	
Total	\$	<u><u>(614,932)</u></u>	

**Actuarial Assumptions**

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

Inflation rate	
Price	2.75%
Wage	3.25%
Salary increases:	2.75% – 6.55% (based on years of service)
Investment rate of return:	7.00%

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disable 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 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.

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

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US equity	27.00%	8.12%
Non-U.S. developed markets equity	13.50%	8.38%
Emerging markets equity	5.50%	10.33%
Private equity	13.00%	11.80%
Real estate	8.00%	11.19%
Real assets	3.00%	7.60%
High yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment grade credit	7.00%	3.38%
Cash equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk mitigation strategies	3.00%	4.91%

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for 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.

*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 net pension liability calculated using the discount rate as disclosed above, 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:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ 2,350,797	\$ 1,960,296	\$ 1,628,333

*Pension plan fiduciary net position.*

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

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**NOTE 11 – PENSION LIABILITIES - TEACHERS’ PENSION AND ANNUITY FUND (TPAF)**

At June 30, 2022, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, 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 non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, 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 non-employer 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 non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		33,470,707.00
Total	\$	33,470,707.00

The net pension liability was measured as of June 30, 2022, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. 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 school districts and the State, actuarially determined. At June 30, 2022, the District’s proportion was 0.00%, which was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of \$900,790 and revenue of \$900,790 for support provided by the State.

*Actuarial assumptions.* The total pension liability in the June 30, 2022, actuarial valuation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following assumptions, applied to all period included 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%



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

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

***Long-Term Expected Rate of Return***

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	2.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	8.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	5.00%	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 will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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.

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*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 net pension liability calculated using the discount rate of 7.0% 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 (6.0%) or 1-percentage point higher (8.0%) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net position liability associated with the District	\$ 39,245,115.22	\$ 33,470,707.00	\$ 28,606,493.65

*Pension plan fiduciary net position.*

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

**Additional Information**

Collective balances of the local group at June 30, 2022 are as follows:

Deferred outflows of resources	\$ 5,004,259,312
Deferred inflows of resources	19,682,774,794
Net pension liability	51,676,587,303

Collective pension expense for the plan for the measurement period ended June 30, 2022 is \$1,390,761,344.

**NOTE 12 – OTHER POST-RETIREMENT BENEFITS**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan:**

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The

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State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be reported on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contributions. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent, from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

*Total OPEB Liability*

The State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2022, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

*Salary Increases*

<b>TPAF/ABP</b>	<b>PERS</b>	<b>PFRS</b>
2.75% to 4.25% based on service years	2.75% to 6.55% based on service years	3.25% to 16.25% based on service years

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*Mortality Rates*

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees were based on the Pub-2020 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

*Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.5% 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 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

*Discount Rate*

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

*Changes in the Total OPEB Liability reported by the State of New Jersey*

Balance at 6/30/22 (Based on 6/30/2021 measurement date)	\$ 60,007,650,970.00
Changes for the year:	
Service cost	2,770,618,025.00
Interest	1,342,187,139.00
Changes in Benefit Terms	-
Differences between Expected & Actual Experiences	1,399,200,736.00
Changes in assumptions or other inputs	(13,586,368,097.00)
Contributions: Member	42,650,252.00
Benefit payments	<u>(1,329,476,059.00)</u>
Net changes	<u>(9,361,188,004.00)</u>
Balance at 6/30/23 (Based on 6/30/2022 measurement date)	<u>\$ 50,646,462,966.00</u>

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*Sensitivity of the total OPEB liability to changes in the discount rate*

The following presents the total OPEB liability as of June 20, 2022, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 59,529,589,697.00	\$ 50,646,462,966.00	\$ 43,527,080,995.00

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates*

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability (School Retirees)	\$ 41,862,397,291.00	\$ 50,646,462,966.00	\$ 62,184,866,635.00

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of \$354,723 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the board of education's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,042,402,619.00	\$ (15,462,950,679.00)
Changes in assumptions	8,765,620,577.00	(17,237,289,230.00)
	\$ 17,808,023,196.00	\$ (32,700,239,909.00)

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

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Year Ended June 30,		
2023	\$	(2,517,151,602.00)
2024		(2,517,151,602.00)
2025		(2,517,151,602.00)
2026		(2,175,449,761.00)
2027		(1,243,951,140.00)
Thereafter		(3,921,361,006.00)
	\$	(14,892,216,713.00)

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

**NOTE 13 – COMPENSATED ABSENCES**

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable fund's total liabilities, and therefore is not shown separately from the long-term liability of compensated absences. The liability as of June 30, 2023, was \$241,777.

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

**NOTE 14 – DEFERRED COMPENSATION**

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

Lincoln Financial

**NOTE 15 – CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the inclusion of \$150,000.00 in the 1995-1996 original capital budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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-2.13(g) 7*, the balance in

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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 account for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning balance, July 1, 2022		\$	758,916
Increased by:			
Interest Earnings	\$		18,600
Unexpended funds returned			47,049
Board Resolution - June		-	
			65,649
Decreased by:			
Budget Withdrawals			(320,000)
Ending balance, June 30, 2023		\$	504,565

**NOTE 16 – MAINTENANCE RESERVE ACCOUNT**

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

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

Beginning balance, July 1, 2022		\$	1,000,476
Increased by:			
Interest Earnings	\$		15,100
Unexpended funds returned			11,736
Board Resolution - June		-	
			26,836
Decreased by:			
Budget Withdrawals			(275,000)
Ending balance, June 30, 2023		\$	752,312

**NOTE 17 – COMMITMENTS**

The District did not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as either Assigned Fund Balance in the General Fund or Committed Fund Balance in the Capital Projects Fund. Encumbrances in the Special Revenue Fund are reflected as unearned revenue. Reserve for encumbrances as of June 30<sup>th</sup> are as follows.

Fund	Amount
General Fund Encumbered Orders	\$ 1,092

Of the general fund encumbrances, \$0 is for capital outlay.

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 18– RISK MANAGEMENT**

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds.

The School District is also a member of the School Alliance Insurance Fund and public entity risk pool.

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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's Unemployment Compensation fund for the current and prior year:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 15,867	\$ 3,624	\$ 11,165	\$ 105,053
2021-2022	17,836	141		96,727
2020-2021	5,265	41	7,578	78,750

**NOTE 19 – CONTINGENT LIABILITIES**

Federal and State Grants

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

**NOTE 20 – FUND BALANCE APPROPRIATED**

General Fund – Of the \$4,736,310 General Fund - Fund balance, at June 30, 2023, \$1,092 is reserved for encumbrances; \$1,750,875 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$1,474,381 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024), \$504,565 has been reserved in the Capital Reserve Account; \$752,312 has been reserved in a Maintenance Reserve Account; \$105,053 has been reserved in Unemployment Claims; \$944,170 has been assigned and has been appropriated and included as anticipated revenue for the year ending June 30, 2024 and \$678,243 is classified as Unassigned.

**NOTE 21 – CALCULATION OF EXCESS SURPLUS**

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund - fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2021 is \$1,750,875, of which \$1,474,381 has been included in the 2024 fiscal year budget.



**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2023  
(CONTINUED)**

**NOTE 22 – LITIGATION**

As of the date of this report, the Logan Township Board of Education is not currently involved in any litigation.

**NOTE 23 – ECONOMIC DEPENDENCY**

The School District receives support from the federal and state governments. A significant reduction in the level of support, if this were to occur, would have an effect on the School District’s programs and activities.

**NOTE 24 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

The School District has entered into Subscription-Based Information Technology Arrangements (SBITAs) involving:

- Education Software

The total of the District’s subscription assets are recorded at a cost of \$20,006, less accumulated amortization of \$12,003.

The future subscription payments under SBITA agreements are as follows:

	Principal		<b>Subscriptions</b>		Total
			Interest		
2024	\$ 4,001	\$	-	\$	4,001
2025	4,002				4,002
	<u>\$ 8,003</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>8,003</u>
	<u><u>\$ 8,003</u></u>	<u><u>\$</u></u>	<u><u>-</u></u>	<u><u>\$</u></u>	<u><u>8,003</u></u>

**NOTE 25 – SUBSEQUENT EVENT**

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2023 through January 10, 2024, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

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**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

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# **Budgetary Comparison Schedules**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 14,165,765		\$ 14,165,765	14,165,765	
Tuition Other LEA's	20,420		20,420	20,420	
Interest Earned on Investments			-	8,953	8,953
Interest Earned on Maintenance Reserve	800		800	15,100	14,300
Interest Earned on Capital Reserve	500		500	18,600	18,100
Other Restricted Miscellaneous Revenues				8,326	8,326
Unrestricted Miscellaneous	280,755		280,755	482,936	202,181
<b>Total Local Sources</b>	<b>14,468,240</b>	<b>-</b>	<b>14,468,240</b>	<b>14,720,100</b>	<b>251,860</b>
State Sources:					
Categorical Special Education Aid	768,262		768,262	768,262	
School Choice Aid	13,403		13,403	13,403	
Security Aid	129,058		129,058	129,058	
Transportation Aid	314,926		314,926	314,926	
Equalization Aid	1,035,132		1,035,132	1,035,132	
Extraordinary Aid	100,000		100,000	229,427	129,427
Supplemental Stabilization Aid			-	338,215	338,215
Nonpublic Transportation			-	12,168	12,168
TPAF Pension (On-Behalf - Non-Budgeted)				2,553,536	2,553,536
TPAF Post-retirement (On-Behalf - Non-Budgeted)				670,808	670,808
TPAF Long Term Disability Insurance				1,227	1,227
TPAF Social Security (Reimbursed- Non-Budgeted)				512,459	512,459
<b>Total State Sources</b>	<b>2,360,781</b>	<b>-</b>	<b>2,360,781</b>	<b>6,578,621</b>	<b>4,217,840</b>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>Federal Sources:</b>					
Medicaid Reimbursement	22,526		22,526		(22,526)
Total Federal Sources	22,526	-	22,526	-	(22,526)
Total Revenues	16,851,547	-	16,851,547	21,298,721	4,447,174
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE</b>					
<b>REGULAR PROGRAMS - INSTRUCTION</b>					
Kindergarten - Salaries of Teachers	327,409		327,409	322,502	4,907
Grades 1 - 5 Salaries of Teachers	1,753,865	(81,000)	1,672,865	1,660,176	12,689
Grades 6 - 8 Salaries of Teachers	1,524,373	4,000	1,528,373	1,526,167	2,206
Regular Programs - Home Instruction					
Salaries of Teachers	7,500	(6,599)	901	901	
Purchased Professional - Educational Services	54,000	(48,000)	6,000	4,501	1,499
Other Purchased Services (400-500 series)	200		200		200
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	181,122	(89,057)	92,065	87,087	4,978
Purchased Professional - Educational Services	106,000	(565)	105,435	100,896	4,539
Purchased Technical Services	44,900	12,900	57,800	56,388	1,412
Other Purchased Services (400-500 series)	173,550	7,600	181,150	176,693	4,457
General Supplies	86,055	(5,953)	80,102	60,622	19,480
Textbooks	7,800		7,800	2,818	4,982
Other Objects	10,156	1,100	11,256	6,728	4,528
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<b>4,276,930</b>	<b>(205,574)</b>	<b>4,071,356</b>	<b>4,005,479</b>	<b>65,877</b>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					



**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Learning and or Language Disabilities					
Salaries of Teachers	258,235	(62,321)	195,914	195,914	-
Other Salaries for Instruction	37,988	44,000	81,988	81,929	59
General Supplies	4,818	(750)	4,068	3,505	563
<b>Total Learning and or Language Disabilities</b>	<b>301,041</b>	<b>(19,071)</b>	<b>281,970</b>	<b>281,348</b>	<b>622</b>
Resource Room/Resource Center					
Salaries of Teachers	592,919	55,000	647,919	647,919	-
Other Salaries for Instruction	107,282	(20,000)	87,282	87,283	(1)
General Supplies	6,135		6,135	5,879	256
<b>Total Resource Room/Resource Center</b>	<b>706,336</b>	<b>35,000</b>	<b>741,336</b>	<b>741,081</b>	<b>255</b>
Special Education - Preschool Disabilities Full-time					
Other Salaries for Instruction	38,547	(35,000)	3,547	2,522	1,025
General Supplies	900	750	1,650	279	1,371
<b>Total Home Instruction</b>	<b>39,447</b>	<b>(34,250)</b>	<b>5,197</b>	<b>2,801</b>	<b>2,396</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>1,046,824</b>	<b>(18,321)</b>	<b>1,028,503</b>	<b>1,025,230</b>	<b>3,273</b>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	359,312		359,312	323,285	36,027
Purchased Professional - Educational Services	5,000		5,000		5,000
General Supplies	1,050		1,050	854	196
<b>Total Basic Skills/Remedial - Instruction</b>	<b>365,362</b>	<b>-</b>	<b>365,362</b>	<b>324,139</b>	<b>41,223</b>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Bilingual Education - Instruction	600	2,440	3,040	427	2,613
General Supplies	600	2,440	3,040	427	2,613
<b>Total Bilingual Education - Instruction</b>					
School-Spon. Cocurricular Activities - Instruction	26,000		26,000	4,773	21,227
Salaries	1,000		1,000		1,000
Purchased Services (300-500 series)	9,850		9,850	3,268	6,582
Supplies & Materials	36,850	-	36,850	8,041	28,809
<b>Total School-Spon. Cocurricular Activities - Inst.</b>					
Other Instructional Programs - Instruction	4,620		4,620	4,620	
Salaries	4,000		4,000	3,700	300
Other Purchased Services (300-500 series)	1,000		1,000	506	494
Supplies & Materials	9,620	-	9,620	8,826	794
<b>Total Other Instructional Programs - Instruction</b>					
Summer School Program- Instruction		1,528	1,528	1,528	
Salaries of Teacher		1,448	1,448	1,448	
Other Salaries for Instruction		750	750	153	597
Supplies & Materials		2,976	3,726	3,129	597
<b>Total Summer School Program-Instructional</b>					
<b>TOTAL INSTRUCTION</b>	<b>5,736,936</b>	<b>(218,479)</b>	<b>5,518,457</b>	<b>5,375,271</b>	<b>143,186</b>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>UNDISTRIBUTED EXPENDITURES</b>					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	2,756,836	(14,700)	2,742,136	2,731,836	10,300
Tuition to Other LEAs Within the State-Special	346,867	(11,000)	335,867	297,377	38,490
Tuition to County Voc. School Dist. - Regular	160,840	(1,000)	159,840	152,066	7,774
Tuition to County Voc. School Dist. - Special	37,668	(11,831)	25,837	25,803	34
Tuition to CSSD & Regional Day Schools	564,020	(28,304)	535,716	535,715	1
Tuition to Private Schools for the Disabled - Within State	175,723	30,000	205,723	205,051	672
Tuition Other		37,648	37,648	37,648	-
<b>Total Undistributed Expenditures - Instruction</b>	<b>4,041,954</b>	<b>813</b>	<b>4,042,767</b>	<b>3,985,496</b>	<b>57,271</b>
Undistributed Expend. - Attend. & Social Work Services					
Salaries	35,098		35,098	35,098	-
<b>Total Undist. Expend. - Attend. &amp; Social Work Services</b>	<b>35,098</b>	<b>-</b>	<b>35,098</b>	<b>35,098</b>	<b>-</b>
Undistributed Expend. - Health Services					
Salaries	155,138	8,375	163,513	163,321	192
Purchased Professional and Technical Services	5,000	525	5,525	4,874	651
Other Purchased Services (400-500 series)	540		540		540
Supplies & Materials	5,250	2,300	7,550	6,676	874
Other Objects	1,336	(500)	836	618	218
<b>Total Undistributed Expend. - Health Services</b>	<b>167,264</b>	<b>10,700</b>	<b>177,964</b>	<b>175,489</b>	<b>2,475</b>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Speech, PT, OT & Related Services					
Salaries	135,196	(1,000)	134,196	132,747	1,449
Purchased Professional - Educational Services	290,200	(169,595)	120,605	118,889	1,716
Supplies & Materials	6,125		6,125	3,936	2,189
<b>Total Undist. Expend.-Speech, PT, OT &amp; Rel. Svces</b>	<b>431,521</b>	<b>(170,595)</b>	<b>260,926</b>	<b>255,572</b>	<b>5,354</b>
Undist. Expend. - Other Support Serv. Students - Extraordinary Services					
Salaries	15,000	(871)	14,129	14,129	-
Purchased Professional-Educational Services	481,360	140,304	621,664	620,656	1,008
<b>Total Undist. Expend. - Other Support Services</b>	<b>496,360</b>	<b>139,433</b>	<b>635,793</b>	<b>634,785</b>	<b>1,008</b>
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	177,790		177,790	177,790	-
Supplies & Materials	525		525	368	157
Other Objects	50		50	50	
<b>Total Undistributed Expend. - Guidance</b>	<b>178,365</b>	<b>-</b>	<b>178,365</b>	<b>178,158</b>	<b>207</b>
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	320,370		320,370	320,370	-
Salaries of Secretarial and Clerical Assistants	42,260		42,260	42,260	-
Other Purchased Prof. And Tech. Services	3,905	1,000	4,905	3,388	1,517
Other Purchased Services (400-500 series)	4,600		4,600	3,505	1,095
Supplies & Materials	1,600	(400)	1,200	1,015	185
<b>Total Undist. Expend. - Child Study Teams</b>	<b>372,735</b>	<b>600</b>	<b>373,335</b>	<b>370,538</b>	<b>2,797</b>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Improvement of Inst. Services					
Salaries of Supervisor of Instruction	302,605	20,000	322,605	322,605	
Salaries of Other Professional Staff	11,768	(768)	11,000	11,000	
Salaries of Sec and Clerical Assist.	6,729	2,768	9,497	9,475	22
Other Purchased Services (400-500 series)	750	(750)	-		
Supplies & Materials	41		41		41
Other Objects	1,060	750	1,810	1,690	120
<b>Total Undist. Expend. - Improvement of Inst. Serv.</b>	<b>322,953</b>	<b>22,000</b>	<b>344,953</b>	<b>344,770</b>	<b>183</b>
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	116,833	8,733	125,566	125,566	
Salaries Technology Coordinator	133,570	(365)	133,205	133,205	
Other Purchased Services (400-500 series)	18,000		18,000	18,000	
Supplies & Materials	11,300	(1,293)	10,007	9,823	184
<b>Total Undistributed Expenditures - Educational Media Services - School Library</b>	<b>279,703</b>	<b>7,075</b>	<b>286,778</b>	<b>286,594</b>	<b>184</b>
Undist. Expend. - Instructional Staff Training Serv.					
Purchased Professional - Educational Services	3,000		3,000	200	2,800
Other Purchased Services (400-500 series)	13,400	(10,662)	2,738	300	2,438
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>	<b>16,400</b>	<b>(10,662)</b>	<b>5,738</b>	<b>500</b>	<b>5,238</b>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	238,320	166	238,486	238,311	175
Legal Services	30,000	(12,000)	18,000	4,536	13,464
Audit Fees	25,700	1,500	27,200	24,500	2,700
Other Purchased Professional Services	6,745	(3,500)	3,245	3,245	
Purchased Technical Services	5,025	575	5,600	5,600	
Communications/Telephone	50,302	895	51,197	45,994	5,203
BOE Other Purchased Services	3,001	105	3,106	3,001	105
Misc. Purch Serv (400-500) [Other than 530 & 585]	66,129	(1,000)	65,129	64,999	130
General Supplies	1,824		1,824	1,814	10
BOE In-house Train/Meeting Supplies	338		338	338	
Miscellaneous Expenditures	3,780	2,200	5,980	5,980	
BOE Membership Dues/Fees	9,434		9,434	9,434	
Total Undistr. Expend. - Support Svs - Gen.Admin.	440,598	(11,059)	429,539	407,752	21,787
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Asst.	143,823	22,035	165,858	165,858	
Salaries of Secretarial Asst.	84,413	4,634	89,047	89,022	25
Other Purchased Services (400-500 series)	2,250	(816)	1,434	31	1,403
Supplies and Materials	2,850	(2,535)	315	265	50
Total Undistributed Expenditures - Support Services - School Administration	233,336	23,318	256,654	255,176	1,478

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Central Services					
Salaries	231,483	41,248	272,731	272,730	1
Purchased Professional Services	14,227	225	14,452	14,332	120
Purchased Technical Services	4,100		4,100	3,289	811
Miscellaneous Purchased Services (400-500 series)	1,523	(877)	646	646	
Supplies and Materials	3,570	(2,005)	1,565	1,550	15
Miscellaneous Expenditures	1,400	(151)	1,249	1,249	
Total Undistributed Expenditures - Central Services	<u>256,303</u>	<u>38,440</u>	<u>294,743</u>	<u>293,796</u>	<u>947</u>
Undist. Expend. - Admin Info Tech.					
Salaries	64,570		64,570	64,570	-
Purchased Technical Services	51,210	(585)	50,625	42,925	7,700
Other Purchased Services (400-500 series)	1,800	(1,800)	-	-	-
Total Undistributed Expenditures - Admin Info. Tech.	<u>117,580</u>	<u>(2,385)</u>	<u>115,195</u>	<u>107,495</u>	<u>7,700</u>
Undist. Expend. - Required Maint. School Fac.					
Salaries	149,270		149,270	146,699	2,571
Cleaning, Repair and Maintenance Services	95,440	10,000	105,440	68,422	37,018
Lead Testing of Drinking Water	800	4,332	5,132	2,318	2,814
General Supplies	33,540	556	34,096	24,529	9,567
Total Undistributed Expenditures - Required Maintenance for School Facilities	<u>279,050</u>	<u>14,888</u>	<u>293,938</u>	<u>241,968</u>	<u>51,970</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Custodial Services					
Other Oper. & Maint.of Plant					
Salaries	52,980	(9,800)	43,180	41,132	2,048
Salaries - Non- Instructional Aides	34,186	12,428	46,614	46,614	
Purchased Professional and Technical Services	1,000		1,000		1,000
Cleaning, Repair and Maintenance Services	473,495	21,262	494,757	487,753	7,004
Other Purchased Property Services	52,508	7,278	59,786	58,121	1,665
Insurance	87,000	(2,678)	84,322	82,068	2,254
Miscellaneous Purchased Services	700		700	29	671
General Supplies	41,550	11,000	52,550	48,376	4,174
Energy (Natural Gas)	55,000	6,000	61,000	40,161	20,839
Energy (Electricity)	229,600	(4,600)	225,000	212,665	12,335
Other Objects	1,315		1,315	963	352
Total Undistributed Expenditures - Custodial Services	<u>1,029,334</u>	<u>40,890</u>	<u>1,070,224</u>	<u>1,017,882</u>	<u>52,342</u>
Undist. Expend- Care & Upkeep of Grounds					
Purchased Professional and Technical Services	58,350	(48,000)	10,350	3,918	6,432
General Supplies	5,600		5,600	4,340	1,260
Total Care and Upkeep of Grounds	<u>63,950</u>	<u>(48,000)</u>	<u>15,950</u>	<u>8,258</u>	<u>7,692</u>
Undist. Expend. - Security					
Salaries	22,229	(11,428)	10,801	9,108	1,693
Cleaning, Repair and Maintenance Services	13,930	4,000	17,930	17,063	867
General Supplies	11,000		11,000	10,732	268
Total Security	<u>47,159</u>	<u>(7,428)</u>	<u>39,731</u>	<u>36,903</u>	<u>2,828</u>
Total Undistributed Expenditures Operations and Maintenance of Plant	<u>1,419,493</u>	<u>350</u>	<u>1,419,843</u>	<u>1,305,011</u>	<u>114,832</u>



**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Student Transportation Serv.					
Salaries - (Between Home & Sch) - Regular	33,528		33,528	33,203	325
Contr. Serv. - Aid in Lieu Payments - NonPub Sch	47,000	(1,237)	45,763	41,567	4,196
Contr. Serv. - (Btm Home & School) - Vendors	701,000	106,237	807,237	804,885	2,352
Contr. Serv. - (Other than Btm Home & School) - Vendors	50,500	(8,400)	42,100	41,116	984
Contr. Serv. - (Special Ed) - Vendors	80,000	178,618	258,618	227,795	30,823
Special Education students - Joint Agreement	515,000	91,056	606,056	605,736	320
Miscellaneous Purchased Services	850		850	325	525
Transportation Supplies	400	362	762	728	34
Other Objects	200		200	200	
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>1,428,478</b>	<b>366,636</b>	<b>1,795,114</b>	<b>1,755,555</b>	<b>39,559</b>
Unallocated Benefits - Employee Benefits					
Social Security Contribution	160,000	4,202	164,202	164,202	
Other Retirement Contributions - PERS	175,000	(11,196)	163,804	163,804	
Other Retirement Contributions - DCRP	20,600	(2,286)	18,314	18,314	
Unemployment	35,000	(34,741)	259	259	
Workmen's Compensation	67,000	(13,915)	53,085	52,617	468
Health Benefits	1,775,986	(170,358)	1,605,628	1,600,625	5,003
Tuition Reimbursement	40,000	(4,202)	35,798	31,692	4,106
Other Employee Benefits	173,250	37,438	210,688	210,688	
<b>Total Unallocated Benefits</b>	<b>2,446,836</b>	<b>(195,058)</b>	<b>2,251,778</b>	<b>2,242,201</b>	<b>9,577</b>
On-Behalf Contributions					
On-Behalf TPAF Pension Contribution (non-bud)			-	2,553,536	(2,553,536)
On-Behalf TPAF Post-retir. Contribution (non-bud)			-	670,808	(670,808)
On-Behalf TPAF Long Term Disability Insurance			-	1,227	(1,227)
Reimbursed TPAF Social Security Cont.(non-bud)			-	512,459	(512,459)

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Total On-Behalf Contributions	-	-	-	3,738,030	(3,738,030)
Total Personal Services - Employee Benefits	2,446,836	(195,058)	2,251,778	5,980,231	(3,728,453)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>12,684,977</b>	<b>219,606</b>	<b>12,904,583</b>	<b>16,372,016</b>	<b>(3,467,433)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>18,421,913</b>	<b>1,127</b>	<b>18,423,040</b>	<b>21,747,287</b>	<b>(3,324,247)</b>
<b>CAPITAL OUTLAY</b>					
Facilities Acquisition and Construction Services	100,000		100,000	52,952	47,048
Other Purchased Prof. and Tech. Services	220,000		220,000	220,000	
Construction Services	1,137		1,137	1,137	
Assessment for Debt Service on SDA Funding					
Total Facilities Acquisition and Construction Services	321,137	-	321,137	274,089	47,048
<b>TOTAL CAPITAL OUTLAY</b>	<b>321,137</b>	<b>-</b>	<b>321,137</b>	<b>274,089</b>	<b>47,048</b>
Transfer of Funds to Charter Schools		11,673	11,673	11,673	-
<b>TOTAL EXPENDITURES</b>	<b>18,743,050</b>	<b>12,800</b>	<b>18,755,850</b>	<b>22,033,049</b>	<b>(3,277,199)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,891,503)</b>	<b>(12,800)</b>	<b>(1,904,303)</b>	<b>(734,328)</b>	<b>1,169,975</b>
Other Financing Sources/(Uses):					
Operating Transfers:					
Transfer to Special Revenue Fund	270,180		270,180	270,180	-
Total Other Financing Sources/(Uses):	270,180	-	270,180	270,180	-

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,621,323)	(12,800)	(1,634,123)	(1,004,508)	629,615
Fund Balance July 1	5,913,689		5,913,689	5,913,689	-
Fund Balance June 30	<u>\$ 4,292,366</u>	<u>\$ (12,800)</u>	<u>\$ 4,279,566</u>	<u>\$ 4,909,181</u>	<u>\$ 629,615</u>
<b>Recapitulation:</b>					
Restricted Fund Balance:					
Excess Surplus - Designated for Subsequent Year's Expenditures				\$ 1,474,381	
Excess Surplus - Current Year				276,494	
Capital Reserve				504,565	
Maintenance Reserve				752,312	
Unemployment Claims				105,053	
Assigned Fund Balance:					
Year-End Encumbrances				1,092	
Designated for Subsequent Year's Expenditures				944,170	
Unassigned Fund Balance					
General Fund				<u>851,114</u>	
				<u>4,909,181</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last Two State Aid Payments not recognized on GAAP Basis				<u>(172,871)</u>	
				<u>\$ 4,736,310</u>	

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
<b>REVENUES:</b>					
Local Sources	\$ 280,180	\$ 5,000	\$ 285,180	\$ 313,826	\$ 28,646
State Sources	1,973,715	3,616	1,977,331	1,797,813	(179,518)
Federal Sources	895,817	436,640	1,332,457	1,030,673	(301,784)
<b>Total Revenues</b>	<u>3,149,712</u>	<u>445,256</u>	<u>3,594,968</u>	<u>3,142,312</u>	<u>(452,656)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	1,354,075	(268,567)	1,085,508	995,323	90,185
Other Salaries for Instruction	284,170	121,668	405,838	356,410	49,428
Purchased Professional - Educational Services	130,000		130,000	68,467	61,533
Other Purchased Services (400-500 series)	222,000	12,705	234,705	234,705	
General Supplies	23,000	39,296	62,296	51,758	10,538
<b>Total Instruction</b>	<u>2,013,245</u>	<u>(94,898)</u>	<u>1,918,347</u>	<u>1,706,663</u>	<u>211,684</u>
Support Services:					
Other Salaries	355,423		458,653	458,126	527
Personal Services - Employee Benefits	429,050		442,076	429,433	12,643
Purchased Professional - Educational Services	18,000		57,127	40,334	16,793
Purchased Professional Technical Services	18,000		35,599	19,766	15,833
Transportation Costs	109,000		109,000	67,607	41,393
Other Purchased Services (400-500 series)	165,548		188,244	150,059	38,185
General Supplies	27,500		302,174	175,401	126,773
Other Objects	1,000		3,000	1,107	1,893
Scholarships Awarded				200	(200)
Student Activities				30,356	(30,356)
<b>Total Support Services</b>	<u>1,123,521</u>	<u>472,352</u>	<u>1,595,873</u>	<u>1,372,389</u>	<u>223,484</u>
Facilities Acquisition & Construction Services:					
Building			-	-	-
Instructional Equipment	12,946		65,124	64,867	257
Non-Instructional Equipment			2,678	303	15,321
<b>Total Expenditures</b>	<u>3,149,712</u>	<u>445,256</u>	<u>3,594,968</u>	<u>3,144,222</u>	<u>450,746</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,910)</u>	<u>\$ (1,910)</u>
<b>Fund Balance, July 1</b>				<u>31,078</u>	
<b>Fund Balance, June 30</b>				<u>29,168</u>	

**NOTES TO THE REQUIRED  
SUPPLEMENTARY INFORMATION  
PART II**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Required Supplementary Information**  
**Budget-to-GAAP Reconciliation**  
**Note to RSI**  
**For the Year Ended June 30, 2023**

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

	General Fund	Special Revenue Fund
Sources / inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 21,298,721	3,142,312
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		-
Current Year		(3,030)
The Final State Aid payment for the Year Ended June 30, 2022 that was delayed until July 2022 was recorded as budgetary revenue for the Year Ended June 30, 2022 but is not recognized under GAAP until the Year Ended June 30, 2023.	255,874	172,315
The Final State Aid payment for the Year Ended June 30, 2023 that was delayed until July 2023 was recorded as budgetary revenue for the Year Ended June 30, 2023 but is not recognized under GAAP until the Year Ended June 30, 2024.	(172,871)	(182,372)
	<u>21,381,724</u>	<u>3,129,225</u>
Uses / outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	22,033,049	3,144,222
Difference - 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 GAAP financial reporting purposes.		
Prior Year		-
Current Year		(3,030)
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	<u>\$ 22,033,049</u>	<u>3,141,192</u>

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**REQUIRED SUPPLEMENTARY INFORMATION  
PART III**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.0004187881%	0.0133900000%	0.0150100000%	0.0169900000%	0.0154500000%	0.0165600000%	0.0150200000%	0.0149400000%	0.0133400000%	0.0132100000%
District's proportionate of the net pension liability (asset)	\$ 1,960,296	\$ 1,586,697	\$ 2,448,531	\$ 3,060,698	\$ 3,041,997	3,854,257	4,449,442	3,352,766	2,496,772	2,523,941
District's covered payroll	\$ 1,088,477	\$ 965,130	\$ 900,979	\$ 955,298	\$ 1,092,836	1,120,331	998,410	978,010	965,149	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	180.10%	164.40%	271.76%	320.39%	278.36%	344.03%	445.65%	342.82%	258.69%	N/A
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Schedule of District Contributions**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	163,804	156,857	164,255	165,228	153,676	153,385	133,464	128,407	109,936	99,505
Contributions in relation to the contractually required contribution	163,804	156,857	164,255	165,228	153,676	153,385	133,464	128,407	109,936	99,505
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered-employee payroll	1,088,477	965,130	900,979	955,298	1,092,836	1,120,331	998,410	978,010	965,149	N/A
Contributions as a percentage of covered-employee payroll	15.05%	16.25%	18.23%	17.30%	14.06%	13.69%	13.37%	13.13%	11.39%	-

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for five years. Additional years will be presented as they become available.

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Ten Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	33,470,707	32,572,737	42,912,109	40,507,423	41,239,247	41,316,959	45,887,248	38,498,334	32,915,040	30,082,270
<b>Total</b>	<b>\$ 33,470,707</b>	<b>\$ 32,572,737</b>	<b>\$ 42,912,109</b>	<b>\$ 40,507,423</b>	<b>\$ 41,239,247</b>	<b>\$ 41,316,959</b>	<b>45,887,248</b>	<b>38,498,334</b>	<b>32,915,040</b>	<b>30,082,270</b>
District's covered payroll	7,318,761	7,226,750	7,031,495	7,024,865	7,393,677	6,793,445	6,795,426	6,556,090	6,240,874	5,923,128
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.64%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to be show information for a 10 year period. However, information is only currently available for five years. Additional years will be presented as they become available.

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability**  
**Public Employee Retirement System and Teachers' Pension and Annuity Fund**  
**Last Six Fiscal Years**

	2023	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability (asset) associated with the District	\$ 34,744,798	\$ 40,473,629	\$ 46,829,200	\$ 28,402,075	\$ 31,360,421	\$ 36,440,281
<b>Total</b>	<b>\$ 34,744,798</b>	<b>\$ 40,473,629</b>	<b>\$ 46,829,200</b>	<b>\$ 28,402,075</b>	<b>\$ 31,360,421</b>	<b>\$ 36,440,281</b>
District's covered payroll	\$ 8,407,238	\$ 8,191,880	\$ 7,932,474	\$ 7,980,163	\$ 8,486,513	\$ 7,913,776
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:						
Service Cost	1,799,457	2,181,571	1,195,918	1,114,379	1,231,167	1,491,132
Interest Cost	920,775	1,049,929	1,022,214	1,240,560	1,334,274	1,155,012
Change in Benefit Terms		(43,079)				
Differences between Expected & Actual	1,754,337	(8,783,714)	8,445,455	(4,890,747)	(3,236,952)	
Changes in Assumptopns	(9,320,604)	39,930	8,554,086	423,477	(3,598,765)	(4,832,147)
Member Contributions	29,259	26,842	24,710	25,844	28,982	31,079
Benefit Payments	(912,055)	(827,050)	(815,258)	(871,859)	(838,566)	(844,034)
Change in Total Opeb Liability	(5,728,831)	(6,355,571)	18,427,125	(2,958,346)	(5,079,860)	(2,998,958)
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	40,473,629	46,829,200	28,402,075	31,360,421	36,440,281	39,439,239
Ending Balance	\$ 34,744,798	\$ 40,473,629	\$ 46,829,200	\$ 28,402,075	\$ 31,360,421	\$ 36,440,281
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	413.27%	494.07%	590.35%	355.91%	369.53%	460.47%

Source: GASB 75 report on State of New Jersey State Health Benefits Program; District records

Note: This schedule is required by GASB 75 to be show information for a 10 year period.

However, information is only currently available for six years.

Additional years will be presented as they become available.

## **OTHER SUPPLEMENTARY INFORMATION**

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**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Italian Grant	Scholarship Funds	Student Activity	SDA Emergent Needs	CRRSA/ ESSER II	CRRSA/ Learning Acceleration	CRRSA/ Mental Health
<b>REVENUES:</b>							
Local Sources	\$ 15,000	\$ 43	\$ 28,603	\$ 21,296			
State Sources					127,862	2,929	28,858
Federal Sources					127,862	2,929	28,858
Total Revenues	15,000	43	28,603	21,296	127,862	2,929	28,858
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers	15,000				89,773		28,858
Other Salaries for Instruction							
Purchased Professional Educational Services							
Other Purchased Services (400-500 series)						179	
General Supplies							
Total Instruction	15,000	-	-	-	89,773	179	28,858
Support Services:							
Salaries of Other Professional Staff							
Personal Services - Employee Benefits					38,089		
Purchased Professional - Educational Services						2,750	
Other Purchased Professional Services							
Other Purchased Services (400-500 series)				21,296			
Transportation Costs							
General Supplies							
Other Objects							
Scholarships Awarded		200					
Student Activities			30,356				
Total Support Services	-	200	30,356	21,296	38,089	2,750	-
Capital Outlay:							
Instructional Equipment							
Non-Instructional Equipment							
Total Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	15,000	200	30,356	21,296	127,862	2,929	28,858
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	- \$	(157) \$	(1,753) \$	-	- \$	- \$	-
Fund Balance, July 1		4,670	26,408				
Fund Balance, June 30	\$	\$ 4,513	\$ 24,655	-			

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	School Climate Transformation	Local Recreational Improvement	ARP ESSER	ARP Learning Acceleration	ARP Evidenced Based Summer	ARP Beyond School Day	ARP Mental Health
<b>REVENUES:</b>							
Local Sources			\$	\$			
State Sources	99,873	49,865	252,784	83,120	26,648	9,615	35,294
Federal Sources	99,873	49,865	252,784	83,120	26,648	9,615	35,294
<b>Total Revenues</b>							
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers			87,514	57,214		9,615	23,079
Other Salaries for Instruction							
Purchased Professional Educational Services							
Other Purchased Services (400-500 series)					26,648		
General Supplies							
<b>Total Instruction</b>			87,514	57,214	26,648	9,615	23,079
Support Services:							
Salaries of Other Professional Staff	59,095						
Personal Services - Employee Benefits	4,521			25,906			12,215
Purchased Professional - Educational Services	14,016						
Other Purchased Professional Services	347						
Other Purchased Services (400-500 series)							
Transportation Costs							
General Supplies	21,894		150,268				
Other Objects							
Scholarships Awarded							
Student Activities							
<b>Total Support Services</b>	99,873		150,268	25,906			12,215
Capital Outlay:							
Instructional Equipment		49,865	15,002				
Non-Instructional Equipment		49,865	15,002				
<b>Total Expenditures</b>	99,873	49,865	252,784	83,120	26,648	9,615	35,294
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balance, July 1							
Fund Balance, June 30							

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Preschool Education	ARP IDEA Basic	Title IIA	I.D.E.A. Preschool	Title I Part A	I.D.E.A. Part B	Totals 2023
<b>REVENUES:</b>							
Local Sources	\$ 270,180					\$	\$ 313,826
State Sources	1,726,652						1,797,813
Federal Sources		30,591	12,194	15,890	70,310	234,705	1,030,673
Total Revenues	1,996,832	30,591	12,194	15,890	70,310	234,705	3,142,312
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers	725,221				46,563		995,323
Other Salaries for Instruction	256,702		12,194				356,410
Purchased Professional Educational Services	68,467						68,467
Other Purchased Services (400-500 series)				1,790		234,705	234,705
General Supplies	23,141						51,758
Total Instruction	1,073,531	-	12,194	1,790	46,563	234,705	1,706,663
Support Services:							
Salaries of Other Professional Staff	384,931			14,100			458,126
Personal Services - Employee Benefits	324,955				23,747		429,433
Purchased Professional - Educational Services	9,743	30,591					40,334
Other Purchased Professional Services	3,000						19,766
Other Purchased Services (400-500 series)	128,416						150,059
Transportation Costs	67,607						67,607
General Supplies	3,239						175,401
Other Objects	1,107						1,107
Scholarships Awarded							200
Student Activities							30,356
Total Support Services	922,998	30,591	-	14,100	23,747	-	1,372,389
Capital Outlay:							
Instructional Equipment	-						64,867
Non-Instructional Equipment	303						303
Total Capital Outlay	303	-	-	-	-	-	65,170
Total Expenditures	1,996,832	30,591	12,194	15,890	70,310	234,705	3,144,222
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	(1,910)
Fund Balance, July 1							31,078
Fund Balance, June 30							29,168

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Preschool Education Aid**  
**Budgetary Basis**  
**For the Year Ended June 30, 2023**

	Total		
	Budgeted	Actual	Variance
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of Teachers	\$ 725,221	725,221	\$ -
Other Salaries for Instruction	263,144	256,702	6,442
Purchased Professional Educational Services	130,000	68,467	61,533
General Supplies	25,400	23,141	2,259
<b>Total Instruction</b>	<b>1,143,765</b>	<b>1,073,531</b>	<b>70,234</b>
Support Services:			
Salaries of Principals/Program Directors	18,173	18,173	
Salaries of Supervisors of Instruction	88,717	88,717	
Salaries of Other Professional Staff	242,505	242,505	
Salaries of Secretarial and Clerical Assistants	35,536	35,536	
Personal Services - Employee Benefits	325,921	324,955	966
Purchased Professional Educational Services	18,000	9,743	8,257
Other Purchased Professional Services	8,000	3,000	5,000
Cleaning, Repair and Maintenance	162,015	128,416	33,599
Contr Serv ( Between Home and School)	109,000	67,607	41,393
Travel	1,000		1,000
Miscellaneous Purchased Services	2,500		2,500
Supplies	3,600	3,239	361
Other Objects	2,000	1,107	893
<b>Total Support Services</b>	<b>1,016,967</b>	<b>922,998</b>	<b>93,969</b>
Facilities Acquisition and Construction Services			
Instructional Equipment			-
Non-Instructional Equipment	15,618	303	15,315
<b>Total Facilities Acquisition and Construction Ser.</b>	<b>15,618</b>	<b>303</b>	<b>15,315</b>
<b>Total Expenditures</b>	<b>\$ 2,176,350</b>	<b>\$ 1,996,832</b>	<b>\$ 179,518</b>

**CALCULATION OF BUDGET & CARRYOVER**

Total Revised 2022-23 Preschool Aid Allocation	\$ 1,823,715
Adjustments	
Add: Actual ECPA Carryover June 30, 2022	226,323
Add: Budgeted Transfer from the General Fund	270,180
Total Preschool Education Aid Funds Available for 2022-23 Budget	2,320,218
Less: 2022-23 Budgeted Preschool Education Aid	(2,176,350)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	143,868
Add: June 30, 2023 Unexpended Preschool Education Aid	179,518
2022-23 Actual Carryover - Preschool Education Aid	\$ 323,386
2022-23 Preschool Education Aid Carryover Budgeted for 2023-24	\$ 143,000

**CAPITAL PROJECTS FUND  
DETAIL STATEMENTS**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Funds**  
**Summary Statement of Project Expenditures**  
**For the Year Ended June 30, 2023**

Project Title/Issue	Original Date	Original Appropriations	GAAP Expenditures to Date		Authorizations Canceled	Unexpended Balance June 30, 2023
			Prior Years	Current Years		
Various School Improvement Projects	3/21/2019	\$ 7,870,000	\$ 6,951,406	\$ -	\$ 227,664	\$ 690,930
		<u>\$ 7,870,000</u>	<u>6,951,406</u>	<u>-</u>	<u>227,664</u>	<u>690,930</u>

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis**  
**For the Year Ended June 30, 2023**

**REVENUES AND OTHER FINANCING SOURCES:**

Local Sources			
Interest Earned		\$	4,500
			4,500
 Total Revenues			4,500
 Excess (Deficiency) of Revenues Over (Under) Expenditures			4,500
Other Financing Sources(Uses):			
Operating Transfers Out:			
Transfer to Debt Service Fund			(232,164)
			(232,164)
 Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures			(227,664)
 Fund Balances, July 1			918,594
 Fund Balances, June 30		\$	690,930

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis**  
**Various School Improvement Projects**  
**From Inception and for the Year Ended June 30, 2023**

	Prior Periods	Current Year	Totals	Revised Authorized Costs
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Bond proceeds and transfers	7,870,000	(227,664)	7,642,336	7,642,336
Total Revenues	<u>7,870,000</u>	<u>(227,664)</u>	<u>7,642,336</u>	<u>7,642,336</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional/technical services	748,523		748,523	943,740
Construction services	6,202,883		6,202,883	6,698,596
Total Expenditures	<u>6,951,406</u>	<u>-</u>	<u>6,951,406</u>	<u>7,642,336</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 918,594</u>	<u>(227,664)</u>	<u>690,930</u>	<u>-</u>
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project Number				
Bond Authorization Date	3/21/2019			
Bonds Authorized	7,870,000			
Bonds Issued	7,870,000			
Original Cost Authorized	7,870,000			
Additional Authorized Cost	-			
Revised Authorized Cost	7,870,000			
Percentage Increase over Original Authorized Cost		0%		

See accompanying auditor's report

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## **LONG-TERM DEBT SCHEDULES**

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**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Schedule of General Serial Bonds**  
**As of June 30, 2023**

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance June 30, 2022	Decreased	Balance June 30, 2023
			Date	Amount				
School Bonds Series 2019	3/21/2019	\$ 7,870,000	3/15/2024	380,000	2.000%	\$ 7,040,000	\$ 365,000	\$ 6,675,000
			3/15/2025	395,000	2.000%			
			3/15/2026	400,000	2.000%			
			3/15/2027	415,000	2.250%			
			3/15/2028	430,000	2.500%			
			3/15/2029	445,000	2.750%			
			3/15/2030	465,000	3.000%			
			3/15/2031	480,000	3.000%			
			3/15/2032	495,000	3.000%			
			3/15/2033	515,000	3.000%			
			3/15/2034	535,000	3.000%			
			3/15/2035	550,000	3.000%			
			3/15/2036	570,000	3.000%			
			3/15/2037	600,000	3.000%			
						\$ 7,040,000	\$ 365,000	\$ 6,675,000

**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**For the Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 136,366		\$ 136,366	\$ 136,366	\$ -
State Sources:					
Debt Service Aid	188,505		188,505	188,505	
Total Revenues	324,871	-	324,871	324,871	-
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Redemption of Principal	365,000		365,000	365,000	-
Interest on Bonds	189,425		189,425	189,425	-
Total Regular Debt Service	554,425	-	554,425	554,425	-
Total Expenditures	554,425	-	554,425	554,425	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(229,554)	-	(229,554)	(229,554)	-
Other Financing Sources(Uses):					
Operating Transfers In:					
Transfers in from Capital Projects				4,500	
Transfers in from General Funds	227,664		227,664	227,664	-
Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures	(1,890)	-	(1,890)	2,610	-
Fund Balance, July 1	1,991	-	1,991	1,991	-
Fund Balance, June 30	\$ 101	\$ -	\$ 101	\$ 4,601	\$ -



**LOGAN TOWNSHIP SCHOOL DISTRICT**  
**Schedule of Obligations Subscription-Based Information Technology Arrangements**  
**As of June 30, 2023**

Description	Amount of Original Issue	Balance July 1, 2022	Issued Current Year	Retired Current Year	Balance June 30, 2023
Blockasi	20,006 \$	12,004 \$		4,001 \$	8,003
	\$	<u>12,004 \$</u>	<u>- \$</u>	<u>4,001 \$</u>	<u>8,003</u>

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## **Statistical Section**

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

Exhibit J-1

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental activities</b>										
Net investment in capital assets	7,359,389	8,300,838	8,758,023	8,767,296	8,971,393	9,069,056	8,237,091	8,010,365	7,763,737	5,471,621
Restricted	3,455,685	3,716,891	3,478,095	3,834,205	4,013,485	4,079,724	4,375,777	5,117,156	4,931,552	3,655,132
Unrestricted	(25,928)	(2,901,683)	(3,002,291)	(3,447,653)	(3,756,883)	(3,900,413)	(3,828,165)	(3,384,550)	(2,734,982)	(1,246,620)
Total governmental activities net position	10,789,146	9,116,046	9,233,827	9,153,848	9,227,995	9,248,367	8,784,703	9,742,971	9,960,307	7,880,133
<b>Business-type activities</b>										
Net investment in capital assets	17,311	12,291	7,271	31,805	44,507	41,301	186,017	262,706	401,498	272,800
Unrestricted	90,125	91,147	119,594	85,755	64,869	98,126	152,307	356,191	371,786	413,579
Total business-type activities net position	107,436	103,438	126,865	117,560	109,376	139,427	338,324	618,897	773,284	686,379
<b>District-wide</b>										
Net investment in capital assets	7,376,700	8,313,129	8,765,294	8,799,101	9,015,900	9,110,357	8,423,108	8,273,071	8,165,235	5,744,421
Restricted	3,455,685	3,716,891	3,478,095	3,834,205	4,013,485	4,079,724	4,375,777	5,117,156	4,931,552	3,655,132
Unrestricted	64,197	(2,810,536)	(2,882,697)	(3,361,898)	(3,692,014)	(3,802,287)	(3,675,858)	(3,028,359)	(2,363,196)	(833,041)
Total district net position	10,896,582	9,219,484	9,360,692	9,271,408	9,337,371	9,387,794	9,123,027	10,361,868	10,733,591	8,566,512

Source: ACFR Schedule A-1

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

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses</b>										
Governmental activities:										
Instruction:										
Regular	5,297,351	5,303,490	5,471,789	5,422,319	5,641,950	5,879,855	5,503,258	5,517,934	5,728,311	4,894,328
Special education	687,144	774,977	839,769	891,712	946,170	975,752	1,164,328	1,086,605	1,065,357	3,340,852
Other special education	222,126	246,716	390,573	389,862	392,723	460,242	519,399	482,349	533,469	421,366
Other instruction	57,919	65,471	47,786	44,692	52,729	53,625	32,852	21,501	25,106	
Support Services:										
Tuition	4,011,053	3,838,861	3,496,071	3,309,968	3,549,861	3,475,026	3,607,211	3,985,914	3,894,048	3,985,496
Student & instruction related services	1,480,940	1,524,815	1,686,687	1,839,235	2,043,561	2,172,117	2,169,411	2,317,355	3,173,581	5,200,780
General Administration and Business Services	575,252	575,297	628,382	627,322	688,669	681,886	685,299	690,666	785,776	363,507
School Administration Services	319,580	314,592	261,465	268,207	238,444	258,492	250,289	194,878	206,404	1,152,511
Central Services										
Plant operations and maintenance	1,431,213	1,466,792	1,546,971	1,512,407	1,496,258	1,531,972	1,388,851	1,230,707	1,264,121	2,146,528
Pupil transportation	918,076	1,024,612	1,040,754	1,115,518	1,121,657	1,254,727	1,267,454	899,995	1,066,732	2,500,849
Unallocated benefits	3,010,602	4,602,430	5,579,733	4,336,054	8,020,338	6,746,219	5,999,793	7,266,658	5,261,264	-
Transfer to Charter School									2,190	
Unallocated depreciation	619,354	595,871	629,466	633,880	669,272	669,272	688,366	900,789	900,789	11,673
Interest on long-term debt	108,861	85,896	65,858	45,388	28,837	60,133	205,731	204,332	195,450	188,433
<b>Total governmental activities expenses</b>	<b>18,739,471</b>	<b>20,419,820</b>	<b>21,685,304</b>	<b>20,436,564</b>	<b>24,870,469</b>	<b>24,219,318</b>	<b>23,482,242</b>	<b>24,799,683</b>	<b>24,102,598</b>	<b>24,206,323</b>
Business-type activities:										
Food service	191,758	311,501	283,058	318,075	304,051	300,543	282,240	365,318	485,545	448,476
Total business-type activities expenses	191,758	311,501	283,058	318,075	304,051	300,543	282,240	365,318	485,545	448,476
<b>Total district expenses</b>	<b>18,931,229</b>	<b>20,731,321</b>	<b>21,968,362</b>	<b>20,754,639</b>	<b>25,174,520</b>	<b>24,519,861</b>	<b>23,764,482</b>	<b>25,165,001</b>	<b>24,588,143</b>	<b>24,654,799</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Operating grants and contributions	422,307	3,104,705	3,763,201	2,135,115	6,362,060	5,557,377	4,838,295	7,359,096	6,325,211	20,420
Capital grants and contributions										1,399,471
<b>Total governmental activities program revenues</b>	<b>422,307</b>	<b>3,104,705</b>	<b>3,763,201</b>	<b>2,135,115</b>	<b>6,362,060</b>	<b>5,557,377</b>	<b>4,838,295</b>	<b>7,359,096</b>	<b>6,325,211</b>	<b>1,419,891</b>
Business-type activities:										
Charges for services:										
Food service	185,429	191,758	202,096	192,778	182,515	212,469	123,337	645,891	918	193,520
Operating grants and contributions	120,374	115,745	104,389	115,992	113,352	118,125	198,842		639,014	263,133
Capital grants and contributions										
<b>Total business-type activities program revenue</b>	<b>305,803</b>	<b>307,503</b>	<b>306,485</b>	<b>308,770</b>	<b>295,867</b>	<b>330,594</b>	<b>322,179</b>	<b>645,891</b>	<b>639,932</b>	<b>456,653</b>
<b>Total district program revenue</b>	<b>728,110</b>	<b>3,412,208</b>	<b>4,069,686</b>	<b>2,443,885</b>	<b>6,657,927</b>	<b>5,887,971</b>	<b>5,160,474</b>	<b>8,004,987</b>	<b>6,965,143</b>	<b>1,876,544</b>
<b>Net (Expense)/Revenue</b>										
Governmental activities	(18,317,164)	(17,315,115)	(17,922,103)	(18,301,449)	(18,508,409)	(18,661,941)	(18,643,947)	(17,440,587)	(17,777,387)	(22,786,432)
Business-type activities	114,045	(3,998)	23,427	(9,305)	(8,184)	30,051	39,939	280,573	154,387	8,177
<b>Total district-wide net expense</b>	<b>(18,203,119)</b>	<b>(17,319,113)</b>	<b>(17,898,676)</b>	<b>(18,310,754)</b>	<b>(18,516,593)</b>	<b>(18,631,890)</b>	<b>(18,604,008)</b>	<b>(17,160,014)</b>	<b>(17,623,000)</b>	<b>(22,778,255)</b>

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

Exhibit J-2

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	11,337,254	11,563,999	11,679,639	12,164,903	12,406,202	12,656,365	13,129,893	13,392,491	13,660,341	14,165,765
Taxes levied for debt service	880,086	416,411	412,388	408,417	390,666	379,271	202,591	343,111	288,131	136,366
Unrestricted grants and contributions	6,918,957	5,627,066	5,648,602	5,466,234	5,371,279	5,295,340	4,873,187	4,000,349	2,991,147	6,850,129
Restricted grants	31,103	324,116	109,467	190,201	181,934	176,628	36,574	303,830	184,051	47,153
Investment earnings	401	7,141	7,804	10,145	18,166	33,174	1,968	1,968	2,156	2,156
Tuition and transportation revenue	231,505	191,492	179,302	117,489	40,257	63,758	48,040	50,607	26,000	26,000
Miscellaneous income	22,876	23,781	15,349	31,080	19,811	73,111	177,303	184,996	842,897	491,262
Other adjustments										
Fixed asset adjustments		(54,234)	(12,667)	166,999	(147,241)	(4,666)	287,305			(984,417)
Transfers										
Total governmental activities	19,422,182	18,099,772	18,039,884	18,555,468	18,283,074	18,672,981	18,754,893	18,277,352	17,994,723	20,706,258
Business-type activities:										
Investment earnings										7,340
Transfers										(102,422)
Other adjustments										(95,082)
Total business-type activities										20,611,176
Total district-wide	19,422,182	18,099,772	18,039,884	18,555,468	18,283,074	18,672,981	18,754,893	18,277,352	17,994,723	20,611,176
Changes in Net Position										
Governmental activities	1,105,018	784,657	117,781	254,019	(225,335)	11,040	110,946	836,765	217,336	(2,080,174)
Business-type activities	114,045	(3,998)	23,427	(9,305)	(8,184)	30,051	39,939	280,573	154,387	(86,905)
Total district	1,219,063	780,659	141,208	244,714	(233,519)	41,091	150,885	1,117,338	371,723	(2,167,079)

Source: ACFR Schedule A-2

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

Exhibit J-3

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	3,504,100	3,316,185	3,229,476	3,556,327	4,013,484	4,047,830	4,262,550	5,011,355	4,898,483	3,112,805
Assigned							111,041	198,000	28,960	945,262
Unassigned	1,821	(106,297)	(39,181)	(72,803)	(69,076)	(52,487)	54,646	355,156	730,372	678,243
<b>Total general fund</b>	<b>3,505,921</b>	<b>3,209,888</b>	<b>3,190,295</b>	<b>3,483,524</b>	<b>3,944,408</b>	<b>3,995,343</b>	<b>4,428,237</b>	<b>5,564,511</b>	<b>5,657,815</b>	<b>4,736,310</b>
All Other Governmental Funds										
Restricted:										
Special revenue fund	(3,630)	(3,630)	(3,630)	(2,696)	(71,287)	(98,241)	(99,974)	(152,509)	(172,315)	(153,204)
Capital Projects Fund	299,545	439,682	277,877	277,877		6,309,815	1,497,304	1,254,196	918,594	690,930
Debt Service Fund	2	1	1	1	1	44,084	113,227	71,033	1,991	4,601
<b>Total all other governmental funds</b>	<b>299,547</b>	<b>439,683</b>	<b>277,878</b>	<b>277,878</b>	<b>1</b>	<b>6,353,899</b>	<b>1,610,531</b>	<b>1,325,229</b>	<b>920,585</b>	<b>695,531</b>

Source: ACFR Schedule B-1



**Logan Township School District  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**

**Exhibit J-4**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Tax Levy	12,217,340	11,980,410	12,092,027	12,573,320	12,798,868	13,035,636	13,332,484	13,735,602	13,948,472	14,302,131
Tuition charges	231,505	191,492	179,302	117,489	40,257	63,758	48,040	50,607	26,000	20,420
Interest earnings	401	7,141	7,804	10,145	18,166	33,174	36,574	1,968	2,156	47,153
Miscellaneous	37,876	42,096	27,568	31,080	19,811	73,114	177,303	184,996	842,897	534,908
State sources	6,986,360	7,268,185	7,295,173	7,464,051	8,201,620	8,896,120	8,354,204	9,065,987	9,201,802	8,637,885
Federal sources	371,007	327,556	330,232	327,499	333,719	335,005	328,551	505,704	618,920	1,027,643
Total revenue	19,844,489	19,816,880	19,932,106	20,523,584	21,412,441	22,436,804	22,277,156	23,544,864	24,640,247	24,570,140
<b>Expenditures</b>										
Instruction:										
Regular instruction	5,297,351	5,303,490	5,471,789	5,422,319	5,641,950	5,879,855	5,503,258	5,517,934	5,728,311	4,005,479
Special education instruction	687,144	774,977	839,769	891,712	946,170	975,752	1,164,328	1,086,605	1,065,357	2,731,893
Other special education instruction	222,126	246,716	390,573	389,862	392,723	460,242	519,399	482,349	533,469	344,562
Other instruction	57,919	65,471	47,786	44,692	52,729	53,625	32,852	21,501	25,106	
Support Services:										
Tuition	4,011,053	3,838,861	3,496,071	3,309,968	3,549,861	3,475,026	3,607,211	3,985,914	3,894,048	3,985,496
Student & instruction related services	1,604,494	1,642,549	1,742,579	1,862,723	2,046,587	2,172,117	2,169,411	2,317,355	3,173,581	3,650,863
General administrative services	575,252	575,297	628,382	627,322	668,669	681,886	685,299	690,666	785,776	407,752
School administrative services	319,580	314,592	261,465	268,207	238,444	258,492	250,289	194,878	206,404	255,176
Business administrative/central services	-	-	-	-	-	-	-	-	-	401,291
Plant operations and maintenance	1,431,213	1,466,792	1,546,971	1,512,407	1,496,258	1,531,972	1,388,851	1,230,707	1,264,121	1,305,011
Pupil transportation	918,076	1,024,612	1,040,754	1,115,518	1,121,657	1,254,727	1,267,454	899,995	1,066,732	1,755,555
Unallocated employee benefits	2,997,475	3,150,264	3,527,554	3,944,081	4,386,138	4,850,740	4,841,066	5,280,925	6,042,763	5,980,231
Charter schools										11,673
Support Services	398,762	958,820	514,563	241,664	183,102	1,777,454	4,956,217	432,171	644,763	338,122
Capital outlay										
Debt service:										
Principal	1,160,000	515,000	530,000	545,000	540,000	545,000	203,728	485,000	345,000	365,000
Interest and other charges	130,678	95,337	74,438	54,755	33,737	12,037	203,728	207,162	197,462	190,562
Total Expenditures	19,811,123	19,972,778	20,112,694	20,230,230	21,298,025	23,928,925	26,589,363	22,833,162	24,972,893	25,728,666
Excess (Deficiency) of revenues over (under) expenditures	33,366	(155,898)	(180,588)	293,354	114,416	(1,492,121)	(4,312,207)	711,702	(332,646)	(1,158,526)
<b>Other Financing Sources (Uses)</b>										
Transfer in	346,200	626,310	26,983	-	277,877	44,084	69,143	1,890	101	502,344
Transfer out	(346,200)	(626,310)	(26,983)	-	(277,877)	(44,084)	(69,143)	(1,890)	(101)	(502,344)
Bond Proceeds						7,870,000		3,543,000		
Capital Lease	79,514	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	79,514	-	-	-	-	7,870,000	-	3,543,000	-	-
Net change in fund balances	112,880	(155,898)	(180,588)	293,354	114,416	6,377,879	(4,312,207)	4,254,702	(332,646)	(1,158,526)
Debt service as a percentage of noncapital expenditures	6.51%	3.21%	3.08%	3.00%	2.72%	2.51%	0.94%	3.09%	2.23%	2.19%

Source: ACFR Schedule B-2

Logan Township School District  
 General Fund Other Local Revenue by Source,  
 Last Ten Fiscal Years  
 (Unaudited)

Fiscal Year Ended June 30,	Interest on Investments	Tuition	Shared Services	Rentals	Prior Year Refunds	Miscellaneous	Totals
2014	\$ 401	231,505				\$ 37,876	\$ 269,782
2015	7,141	191,492			19,291	22,805	240,729
2016	7,804	179,302			9,451	18,117	214,674
2017	10,145	115,728			18,141	2,503	146,517
2018	18,166	40,257			8,439	2,372	69,234
2019	33,174	63,758			3,392	16,635	116,959
2020	36,574	48,040	19,372		6,552	61,055	171,593
2021	1,968	50,607			39,445	57,106	149,126
2022	2,156	26,000	324,764		28,384	44,016	425,320
2023	42,653	20,420	369,649	6,052	22,698	84,537	546,009

Source: District Records

Logan Township School District  
 Assessed Value and Actual Value of Taxable Property,  
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	County Equalized Value
2014	25,939,500	398,969,100	7,496,200	2,411,800	101,380,300	507,829,381	1,044,026,281	1,893,488	1,045,919,769	1.145	1,154,257,912
2015	22,293,100	398,884,100	8,670,900	2,381,400	99,747,800	499,349,300	1,031,326,600	1,981,912	1,033,308,512	1.170	1,132,703,569
2016	19,925,100	399,501,400	8,452,700	2,406,800	119,935,500	502,114,060	1,052,335,560		1,052,335,560	1.194	1,140,372,302
2017	25,965,400	400,704,200	8,604,500	2,444,200	125,684,800	500,773,360	1,064,176,460		1,064,176,460	1.202	1,064,176,460
2018	22,908,900	450,445,500	7,520,200	2,204,700	115,192,800	786,005,790	1,384,277,890		1,384,277,890	0.941	1,294,201,468
2019	23,990,200	451,093,900	7,094,900	1,818,200	114,394,500	822,754,240	1,421,145,940		1,421,145,940	0.938	1,499,361,538
2020	20,486,500	450,137,900	7,322,300	1,780,800	148,441,500	826,240,740	1,454,409,740		1,454,409,740	0.945	1,494,163,873
2021	58,379,000	450,298,800	6,784,300	1,500,800	130,362,900	864,278,540	1,511,604,340		1,511,604,340	0.922	1,603,734,066
2022	74,987,500	451,365,000	7,275,200	1,459,700	99,087,700	1,015,565,240	1,649,740,340		1,649,740,340	0.867	1,676,765,768
2023	72,320,300	451,854,000	8,358,100	1,465,600	99,566,900	1,183,525,640	1,817,090,540		1,817,090,540	0.816	1,815,851,040

Source: County Abstract of Ratables & Municipal Tax Assessor

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

**Exhibit J-7**

Fiscal Year Ended June 30,	School District		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	Total Direct	Gloucester County	Municipal Local Purpose	
2014	\$ 1.145	\$ 1.145	\$ 0.735	\$ 0.228	\$ 2.108
2015	\$ 1.170	1.170	0.782	0.228	2.180
2016	\$ 1.194	1.194	0.794	0.478	2.466
2017	\$ 1.202	1.202	0.817	0.488	2.507
2018	\$ 0.941	0.941	0.693	0.478	2.112
2019	\$ 0.938	0.938	0.767	0.467	2.172
2020	\$ 0.945	0.945	0.763	0.467	2.175
2021	\$ 0.922	0.922	0.776	0.467	2.165
2022	\$ 0.867	0.867	0.755	0.467	2.089
2023	\$ 0.808	0.816	0.728	0.466	2.010

Source: District Records and Municipal Tax Collector

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

**Exhibit J-8**

Taxpayer	2023				2014				
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Liberty Venture I LP	127,148,075	1	7.71%	92,163,400	1	8.81%			
Logan Flow Center Property	83,570,000	2	5.07%						
B9 Logan south owner LLC	82,261,900	3	4.99%						
SVF Oldmans Creek Logan LLC	58,380,000	4	3.54%						
MEPT 1150 Commerce c/o Altus	51,538,800	5	3.12%						
Greek Logan Lot F LLC	33,068,000	6	2.00%						
CBRE Inc.				30,000,000	2	2.87%			
RAR2 395 Pedricktown Rd	28,900,000	7	1.75%						
RAR2 2320 Ctr Sq Rd LLC DWS	27,325,000	8	1.66%						
TR Birch Creek LLC	26,190,000	9	1.59%						
Cabot Industrial Core Fund Operating	22,616,600	10	1.37%						
Birch Creek Distribution Center							17,199,600	3	1.64%
Sun Trust Bank							17,105,800	4	1.64%
Liberty Property LTD							16,392,200	5	1.57%
IIT Center Square DC LLC							14,347,700	6	1.37%
Duke Realty LP							14,003,700	7	1.34%
DGILS LLC							13,675,800	8	1.31%
Prologis NA3 NV IV LLC							13,355,900	9	1.28%
IIT Pureland DC I LLC							11,750,000	10	1.12%
<b>Totals</b>	<b>\$ 540,998,375</b>		<b>32.79%</b>	<b>\$ 239,994,100</b>		<b>22.95%</b>			
				<b>District Assessed Value</b>		<b>\$ 1,649,740,340</b>			<b>\$ 1,045,919,769</b>

Source: District ACFR & Municipal Tax Assessor

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

**Exhibit J-9**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	12,217,340	12,217,340	100%	
2015	11,980,410	11,980,410	100%	
2016	12,092,027	12,092,027	100%	
2017	12,573,320	12,573,320	100%	
2018	12,798,868	12,798,868	100%	
2019	13,035,636	13,035,636	100%	
2020	13,332,484	13,332,484	100%	
2021	13,735,602	13,735,602	100%	
2022	13,948,472	13,948,472	100%	
2023	14,302,131	14,302,131	100%	

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

Exhibit J-10

Logan Township School District  
Ratios of Outstanding Debt by Type,  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income	Debt Per Capita *
	General Obligation Bonds	Capital Leases	Bond Anticipation Notes (BANS)			
2014	\$ 2,675,000	\$ 200,140		\$ 2,875,140	1.01%	480
2015	2,160,000	82,406		2,242,406	0.76%	376
2016	1,630,000	26,514		1,656,514	0.55%	279
2017	1,085,000	3,026		1,088,026	0.35%	184
2018	545,000			545,000	0.17%	92
2019	7,870,000			7,870,000	2.36%	1,339
2020	7,870,000			7,870,000	2.21%	1,337
2021	7,385,000			7,385,000	1.94%	1,213
2022	7,040,000			7,040,000	N/A	1,163
2023	6,675,000			6,675,000	N/A	N/A

Source: District ACFR Schedules I-1, I-2

\* = Per Capital Income data presented is for the entire County of Gloucester, not only the Township of Logan.

**Logan Township School District  
Ratios of Net General Bonded Debt Outstanding,  
Last Ten Fiscal Years**

**Exhibit J-11**

Fiscal Year Ended June 30,	Governmental Activities		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	* Per Capita Personal Income
	General Obligation Bonds	Deductions			
2014	2,675,000	-	2,675,000	0.26%	47,406
2015	2,160,000	-	2,160,000	0.21%	49,622
2016	1,630,000	-	1,630,000	0.15%	50,788
2017	1,085,000	-	1,085,000	0.10%	52,729
2018	545,000	-	545,000	0.04%	54,646
2019	7,870,000	-	7,870,000	0.55%	56,853
2020	7,870,000	-	7,870,000	0.54%	60,386
2021	7,385,000	-	7,385,000	0.49%	62,553
2022	7,040,000	-	7,040,000	0.43%	n/a
2023	6,675,000	-	6,675,000	0.37%	n/a

Source: School District records; New Jersey Department of Labor and Workforce Development.

\* = Per Capital Income data presented is for the entire County of Gloucester, not only the Township of Logan.



**Logan Township School District  
 Direct and Overlapping Governmental Activities Bonded Debt,  
 As of December 31, 2022 for overlapping debt**

**Exhibit J-12**

<u><b>Governmental Unit</b></u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Township of Logan	\$ 19,690,000	100.00%	\$ 19,690,000
<b>Other Debt</b>			
County of Gloucester	151,050,000	6.43%	9,714,024
Subtotal, Overlapping Debt			<u>29,404,024</u>
<b>Township of Logan School District Direct Debt</b>			<u>6,675,000</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 36,079,024</u></u>

Sources: Township of Logan, County of Gloucester.

Logan Township School District  
 Legal Debt Margin Information,  
 Last Ten Fiscal Years

Exhibit J-13

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 35,488,312	\$ 35,063,710	\$ 34,905,264	\$ 34,601,417	\$ 34,713,892	\$ 35,217,762	\$ 38,617,654	\$ 44,969,922	\$ 47,161,630	\$ 52,196,427
Total net debt applicable to limit	2,675,000	2,160,000	1,630,000	1,085,000	545,000	7,870,000	7,870,000	7,385,000	7,040,000	6,675,000
Legal debt margin	\$ 32,813,312	\$ 32,903,710	\$ 33,275,264	\$ 33,516,417	\$ 34,168,892	\$ 27,347,762	\$ 30,747,654	\$ 37,584,922	\$ 40,121,630	\$ 45,521,427
Total net debt applicable to the limit as a percentage of debt limit	7.54%	6.16%	4.67%	3.14%	1.57%	22.35%	20.38%	16.42%	14.93%	12.79%

Equalized valuation basis	
2022	\$ 2,002,841,253
2021	1,676,765,768
2020	1,540,035,726
	<u>\$ 5,219,642,747</u>

Average equalized valuation of taxable property	
	\$ 1,739,880,916

Debt limit (3% of average)	
Debt limit (3% of average)	52,196,427
Net bonded school debt	6,675,000
Legal debt margin	<u>\$ 45,521,427</u>

Source: Abstract of Ratables and District Records ACFR Schedule J-7

**Logan Township School District  
Demographic and Economic Statistics,  
Last Ten Fiscal Years**

**Exhibit J-14**

<u>Fiscal Year Ended June 30,</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2014	5,984	283,677,504	47,406	8.6%
2015	5,967	296,094,474	49,622	5.4%
2016	5,934	301,375,992	50,788	4.8%
2017	5,918	312,050,222	52,729	3.8%
2018	5,904	322,629,984	54,646	4.2%
2019	5,878	334,181,934	56,853	3.2%
2020	5,887	355,492,382	60,386	2.7%
2021	6,087	380,760,111	62,553	5.1%
2022	6,055	n/a	n/a	3.0%
2023	n/a	n/a	n/a	n/a

Source: New Jersey Department of Labor and Workforce Development.  
Income is for Gloucester County

**Exhibit J-15**

**Logan Township School District  
Principal Employers,  
Current Year and Nine Years Ago**

Employer	2023			2014		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Rowan University	3500	1	n/a	1,483	n/a	n/a
Washington Township School District	1505	2	n/a	1,598	n/a	n/a
Inspira Health Network	1222	3	n/a	1,825	n/a	n/a
County of Gloucester	1200	4	n/a	1,425	n/a	n/a
Monroe Township School District	902	5	n/a	792	n/a	n/a
Walmart - Turnersville	800	6	n/a			
Jefferson Health	670	7	n/a			
Aryta LaBrea Bakery, Inc-	500	8	n/a			
Keller Williams Realty	500	9	n/a			
Honda of Turnersville	499	10	n/a			
U.S. Foodservices				725		n/a
Kennedy Health Alliance				1,675		n/a
MissaBay, LLC				950		n/a
Exxon Mobil Research & Development				540		n/a
LaBrea Bakery				525		n/a
<b>Totals</b>	<b>11,298</b>		<b>0.00%</b>	<b>11,538</b>		<b>100.00%</b>

Source: Gloucester County Department of Economic Development  
 Note - The information provided is for the County of Gloucester, information at the municipal level is not readily available.  
 N/A - Information not available

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

**Exhibit J-16**

<u>Function/Program</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction:										
Regular instruction	63.0	64.0	63.0	66.0	67.0	67.0	63.0	59.0	59.0	59.0
Special education	12.0	13.0	14.0	15.0	15.0	18.0	20.0	21.0	21.0	21.0
Other instruction	4.0	4.0	7.0	7.0	7.0	8.0	7.0	7.0	7.0	7.0
Support Services:										
Tuition										
Student & instruction related services	26.0	27.0	26.0	29.0	30.0	43.0	34.0	33.0	33.0	34.0
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administrative services	3.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Central services	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Administrative information technology	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0
Plant operations and maintenance	5.0	5.0	6.0	6.0	6.0	6.0	6.0	5.0	6.0	5.0
Pupil transportation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b>Total</b>	<b>119.0</b>	<b>123.0</b>	<b>127.0</b>	<b>134.0</b>	<b>136.0</b>	<b>153.0</b>	<b>141.0</b>	<b>135.0</b>	<b>136.0</b>	<b>137.0</b>

Source: District Personnel Records

Exhibit J-17

Logan Township School District  
 Operating Statistics,  
 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures	Cost per Pupil	% Change	Teaching Staff	Pupil/Teacher Ratio	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	839.0	18,121,683	21,599	2.98%	80.0	10.488	838.90	805.60	0.08%	96.03%
2015	843.0	18,403,621	21,831	1.07%	79.0	10.671	832.90	800.90	-0.72%	96.16%
2016	850.0	18,993,693	22,346	2.36%	83.0	10.241	849.40	817.60	1.98%	96.26%
2017	843.0	19,388,811	23,000	2.93%	84.0	10.036	841.30	811.30	-0.95%	96.43%
2018	835.0	20,541,186	24,600	6.96%	85.0	9.824	831.90	800.20	-1.12%	96.19%
2019	854.0	21,594,434	25,286	2.79%	90.0	9.489	885.30	849.00	6.42%	95.90%
2020	839.0	21,429,418	25,542	1.01%	90.0	9.322	839.70	811.80	-5.15%	96.68%
2021	841.0	21,708,829	25,813	1.06%	87.0	9.667	840.90	813.30	0.14%	96.72%
2022	868.0	23,785,668	27,403	6.16%	87.0	9.977	839.00	811.10	-0.23%	96.67%
2023	845.0	24,834,982	29,391	7.25%	87.0	9.713	756.31	707.61	-9.86%	93.56%

Source: District records, ASSA and Schedules J-12, J-14

Logan Township School District  
 School Building Information,  
 Last Ten Fiscal Years

Exhibit J-18

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>District Buildings</b>										
<b>Elementary</b>										
Logan Township (1991)										
Square Feet	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068	131,068
Capacity (students)	877	877	877	877	877	877	877	877	877	877
Enrollment	605	615	613	617	606	608	598	590	590	653
Francis E. Donnelly (2001)										
Square Feet	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135	39,135
Capacity (students)	266	266	266	266	266	266	266	266	266	266
Enrollment	234	228	237	226	229	246	241	275	275	192

Number of Schools at June 30, 2023

Elementary - 2

Source: District Facilities Office, Long Range Facility Plan - FES and District Capacity report.

Logan Township School District  
 General Fund  
 Schedule of Required Maintenance for School Facilities,  
 Last Ten Fiscal Years  
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Gross Square Footage	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Logan Township Elementary	131,068	116,326	133,803	159,622	152,748	150,369	172,789	149,389	150,318	150,318	159,548
Francis E. Donnelly Elementary	39,135	51,784	34,549	35,634	53,466	58,442	52,967	48,606	48,640	46,400	82,420
		<u>168,110</u>	<u>168,352</u>	<u>195,256</u>	<u>206,214</u>	<u>208,811</u>	<u>225,756</u>	<u>197,995</u>	<u>198,958</u>	<u>196,718</u>	<u>241,968</u>

Source: District Records



**Logan Township School District**  
**Insurance Schedule**  
**For the Fiscal Year Ended June 30, 2023**  
*(Unaudited)*

**Exhibit J-20**

Company	Type of Coverage	Amount of Coverage	Deductible
New Jersey School Board Association Insurance Group	School Package Policy: Property - Blanket Buildings & Contents	\$ 500,000,000.00	
	Environmental Impairment Liability	1,000,000.00	10,000.00
	Blanket Dishonesty-Crime Coverage Per Loss	500,000.00	1,000.00
	Automobile Comprehensive \$ Collison Coverage		1,000.00
	School Board Legal Liability	5,000,000.00	5,000.00
	Workers Compensation Including Supplem	5,000,000.00	
	Excess Liability-Auto, General Liability Workers Compensation & School Board Le	15,000,000.00	
	Cyber Liability	2,000,000.00	
	General Liability & Automobile	5,000,000.00	
	Student Accident Maximum Benefit Per Injury	1,000,000.00	
	Selective Insurance Company	Individual Bonds: School Business Administrator	250,000.00
Treasurer of School Monies		250,000.00	

Source: District Records

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**SINGLE AUDIT SECTION**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-1

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

Honorable President and  
Members of the Board of Education  
Logan Township School District  
County of Gloucester  
State of New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Logan Township School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Logan Township School District's basic financial statements, and have issued our report thereon dated January 10, 2024.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Logan Township School District's control over financial reporting (internal control) to determine the 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 Logan Township School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control.

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*

Ford, Scott & Associates, LLC.  
Certified Public Accountants

*Leon P. Costello*

Leon P. Costello  
Certified Public Accountant  
Licensed Public School Accountant  
No. 767

**January 10, 2024**



# FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2

**Report on Compliance with for Each Major State Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance required by *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards (Uniform Guidance)*, and New Jersey OMB's Circular 15-08**

Honorable President and  
Members of the Board of Education  
Logan Township School District  
County of Gloucester, New Jersey

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

### **Opinion on Each Major Federal & State Program**

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

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

### **Basis for Opinion on Each Major Federal & State Program**

We conducted our audit 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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and 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 NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance 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 Logan Township School 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 opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Logan Township School District's compliance with the 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 its Federal and State programs.

## **Auditor's Responsibilities for the Audit of Compliance**

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Logan Township School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Logan Township School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of City of Ocean City School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Other Matters**

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

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

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



material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been 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 and NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

*Ford, Scott & Associates, L.L.C.*

Ford, Scott & Associates, LLC.  
Certified Public Accountants

*Leon P. Costello*

Leon P. Costello  
Certified Public Accountant  
Licensed Public School Accountant  
No. 767

**January 10, 2024**

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

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Carryover	Cash Received	Budgetary Expenditures		Adjustments	Unearned Revenue	Balance at June 30, 2023	
						Accounts Receivable	Unearned Revenue			Source Pass Through	Total			(Accounts Receivable)	Due to Grantor
<b>U. S. Department of Agriculture</b>															
<b>Passed-through State Department of Education:</b>															
Enterprise Fund:															
Food Distribution Program	10.555	20231NJ304N1099	N/A	7/1/22 - 6/30/23	\$ 47,872	\$ -	\$ -	\$ 47,872	(47,872)	\$ -	(47,872)	-	\$ -	-	\$ -
Food Distribution Program	10.555	20221NJ304N1099	N/A	7/1/21 - 6/30/22	41,439	12,259	-	-	(12,259)	-	(12,259)	-	-	-	(958)
School Breakfast Program	10.553	20231NJ304N1099	N/A	7/1/22 - 6/30/23	30,355	(6,929)	-	29,397	(30,355)	-	(30,355)	-	-	-	-
School Breakfast Program	10.553	20221NJ304N1099	N/A	7/1/21 - 6/30/22	151,122	-	-	6,929	-	-	-	-	-	-	-
National School Lunch Program	10.555	20231NJ304N1099	N/A	7/1/22 - 6/30/23	122,020	(22,297)	-	117,404	(122,020)	-	(122,020)	-	-	-	(4,616)
National School Lunch Program	10.555	20221NJ304N1099	N/A	7/1/21 - 6/30/22	436,949	-	-	22,297	-	-	-	-	-	-	-
COVID-19 - Supply Chain	10.555	20231NJ304N1099	N/A	7/1/22 - 6/30/23	53,603	(29,226)	-	277,502	(53,603)	-	(53,603)	-	-	-	(5,574)
Total Child Nutrition Cluster											(266,109)				
Total Enterprise Fund											(266,109)				(5,574)
<b>U. S. Department of Education</b>															
<b>Passed-through State Department of Education:</b>															
Special Revenue Fund:															
Title I, Part A	84.010A	S010A220030	ESEA532023	7/1/22 - 9/30/23	70,315	(78,668)	-	43,506	(70,310)	-	(70,310)	-	-	-	(26,804)
Title I, Part A	84.010A	S010A210030	ESEA532022	7/1/21 - 9/30/22	81,018	-	-	58,668	-	-	-	-	-	-	(20,000)
Total Title I											(70,310)				(46,804)
Title II	84.367A	S367A220029	ESEA532023	7/1/22 - 9/30/23	18,413	(20,889)	-	11,765	(12,194)	-	(12,194)	-	-	-	(429)
Title II	84.367A	S367A210029	ESEA532022	7/1/21 - 9/30/22	15,374	-	-	20,889	-	-	-	-	-	-	-
Total Title II											(12,194)				(429)
Title IV	84.424A	S365A220030	ESEA532023	7/1/22 - 9/30/23	10,000	(355)	-	-	-	-	-	-	-	-	-
Title IV	84.424A	S365A210030	ESEA275021	7/1/20 - 9/30/21	10,000	-	-	-	-	355	-	-	-	-	-
Total Title IV											355				-
Title III	84.365	S365A210030	n/a	7/1/21 - 9/30/22	999	-	-	-	-	-	-	-	-	-	-
Title III	84.365	S365A190030	n/a	7/1/19 - 9/30/20	3,637	-	-	-	-	-	-	-	-	-	-
Total Title III											-				-
Total Title III								459			-		459		-
Passed through Delsea-Regional High School School Climate Transformation Grant	84.184G	S184H220041	n/a	7/1/22 - 6/30/23	103,000	-	-	104,214	(99,873)	(42,295)	(99,873)	-	-	-	(37,954)
I.D.E.A. Part B - Basic	84.027A	H027A220100	IDEA532023	7/1/22 - 9/30/23	234,705	(100,978)	-	234,705	(234,705)	-	(234,705)	-	-	-	-
I.D.E.A. Part B - Basic	84.027A	H027A210100	IDEA532022	7/1/21 - 9/30/22	224,894	-	-	153,766	-	-	-	-	-	-	-
ARP - IDEA Basic	84.027X	H027X210100	IDEA532022	7/1/21 - 9/30/22	39,127	-	-	-	(30,591)	-	(30,591)	-	-	-	(30,591)
I.D.E.A. Part B - Preschool	84.173A	H173A220114	IDEA532023	7/1/22 - 9/30/23	17,524	-	-	11,307	(15,890)	-	(15,890)	-	-	-	(4,583)
ARP - IDEA Preschool	84.173X	H173X210114	IDEA532022	7/1/21 - 9/30/22	3,333	-	-	-	-	-	-	-	-	-	-
Total Special Education Cluster											(281,186)				(35,174)
CARES - Emergency Relief	84.425D	S425D200027	N/A	3/13/20 - 9/30/22	69,736	(7,375)	-	-	-	7,375	-	-	-	-	-
CRRSA - ESSER II	84.425D	S425D210027	N/A	3/13/20 - 9/30/23	274,494	(100,740)	-	175,013	(127,862)	-	(127,862)	-	-	-	(53,589)
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	3/13/20 - 9/30/23	25,000	(1,494)	-	4,244	(2,929)	-	(2,929)	-	-	-	(179)
CRRSA - Mental Health	84.425D	S425D210027	N/A	3/13/20 - 9/30/23	45,000	(199,063)	-	15,355	(28,858)	-	(28,858)	-	-	-	(13,503)
ARP - ESSER	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	616,907	-	-	377,745	(252,784)	3,927	(252,784)	-	-	-	(70,175)
ARP - Accelerated Learning (Instruction)	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	86,697	-	-	39,154	(83,120)	-	(83,120)	-	-	-	(43,966)
ARP - Evidence Based Summer Learning	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000	-	-	2,839	(26,648)	-	(26,648)	-	-	-	(26,648)
ARP - Beyond the School Day (Afterschool)	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	40,000	-	-	9,231	(9,615)	-	(9,615)	-	-	-	(6,776)
ARP - NJTSS Mental Health	84.425U	S425U210027	N/A	3/13/20 - 9/30/24	45,000	-	-	-	(35,294)	-	(35,294)	-	-	-	(26,063)
Total Education Stabilization Fund											(567,110)		11,302		(240,899)
Total Special Revenue Fund											(1,030,673)			459	(361,260)
Total Federal Financial Assistance											(1,296,782)			459	(366,834)

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

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments / Repayment of Prior Years' Balances	Balance at June 30, 2023		MEMO	
			From	To	Deferred Revenue (Accounts Receivable)	Due to Grantor					(Accounts Receivable)	Deferred Revenue/	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>														
General Fund:														
State Aid Public Cluster:														
Special Education Aid	23-495-034-5121-089	768,262	7/1/2022	6/30/2023	\$ -	\$ -	\$ -	\$ 768,262	(768,262)	-	\$ -	\$ -	\$ 58,745	\$ 768,262
School Choice Aid	23-495-034-5121-068	13,403	7/1/2022	6/30/2023	-	-	13,403	(13,403)	-	-	-	-	1,025	13,403
Security Aid	23-495-034-5121-084	129,058	7/1/2022	6/30/2023	(11,600)	(24,370)	129,058	(129,058)	-	20,038	(12,168)	-	9,868	129,058
Equalization Aid	23-495-034-5120-078	1,035,132	7/1/2022	6/30/2023	(277,481)	-	1,035,132	(1,035,132)	-	-	-	-	79,152	1,035,132
Supplemental Stabilization Aid	23-495-034-5121-494	338,215	7/1/2022	6/30/2023	-	-	338,215	(338,215)	-	-	-	-	-	338,215
<b>Total State Aid Public Cluster</b>														
Transportation Aid	23-495-034-5121-014	314,926	7/1/2022	6/30/2023	-	-	314,926	(314,926)	-	-	-	-	24,081	314,926
Non-public Transportation Aid	23-495-034-5120-014	12,168	7/1/2022	6/30/2023	(11,600)	(24,370)	11,600	(12,168)	-	-	(12,168)	-	-	12,168
Lead Testing for Schools Aid	22-495-034-5120-014	24,370	7/1/2021	6/30/2022	-	-	4,332	-	-	-	-	-	-	11,600
Extraordinary Aid	23-100-034-5120-044	229,427	7/1/2022	6/30/2023	(277,481)	-	277,481	(229,427)	-	-	(229,427)	-	-	24,370
Extraordinary Aid	22-100-034-5120-044	277,481	7/1/2021	6/30/2022	-	-	277,481	-	-	-	-	-	-	229,427
On-Behalf TPAF Pension	23-495-034-5094-002	2,553,536	7/1/2022	6/30/2023	-	-	2,553,536	(2,553,536)	-	-	-	-	-	277,481
On-Behalf TPAF Post-Retirement	23-495-034-5094-001	670,808	7/1/2022	6/30/2023	-	-	670,808	(670,808)	-	-	-	-	-	2,553,536
On-Behalf TPAF LTD	23-495-034-5094-004	1,227	7/1/2022	6/30/2023	(2,716)	-	1,227	(1,227)	-	-	(52,040)	-	-	1,227
Reimbursed TPAF Social Security	23-495-034-5094-003	512,459	7/1/2022	6/30/2023	-	-	460,419	(512,459)	-	-	-	-	-	512,459
Reimbursed TPAF Social Security	22-495-034-5094-003	519,095	7/1/2021	6/30/2022	(316,167)	-	2,716	-	-	-	(293,635)	-	172,871	519,095
<b>Total General Fund</b>														
Special Revenue Fund:														
Preschool Education Aid	23-495-034-5121-086	1,823,715	7/1/2022	6/30/2023	(172,161)	-	1,823,715	(1,726,652)	-	224,446	321,663	-	182,372	1,726,652
Preschool Education Aid	22-495-034-5121-086	1,723,150	7/1/2021	6/30/2022	-	-	1,723,150	-	-	-	-	-	-	1,722,996
SDA Grant - Emergent Needs	N/A	17,228	7/1/2021	6/30/2022	1,242	-	-	1,242	-	-	-	-	-	16,486
SDA Grant - Emergent Needs	N/A	21,296	7/1/2022	6/30/2023	(513)	-	21,296	(21,296)	-	(15,133)	(64,998)	-	-	21,296
Local Recreational Improvement	22-495-022-8030-668	65,000	2/1/2022	8/31/2023	(170,919)	-	2,017,326	(1,797,813)	-	209,313	(64,998)	-	182,372	64,998
<b>Total Special Revenue Fund</b>														
<b>State Department of Education</b>														
Debt Service Fund:														
Debt Service Aid	23-100-034-5120-017	188,505	7/1/2022	6/30/2023	-	-	188,505	(188,505)	-	-	-	-	-	188,505
<b>Total Debt Service Fund</b>														
<b>State Department of Agriculture:</b>														
Enterprise Fund:														
State School Lunch Program	23-100-010-3350-023	6,010	7/1/2022	6/30/2023	-	-	5,785	(6,010)	-	-	(225)	-	-	6,010
State School Breakfast Program	23-100-010-3350-023	3,273	7/1/2022	6/30/2023	(513)	-	3,170	(3,273)	-	-	(103)	-	-	3,273
State School Lunch Program	22-100-010-3350-023	12,639	7/1/2021	6/30/2022	(513)	-	513	-	-	-	-	-	-	12,639
Total Enterprise Fund					(513)	-	9,468	(9,283)	-	-	(328)	-	-	21,922
<b>Total State Financial Assistance</b>														
Less: On-Behalf TPAF Pension														
Less: On-Behalf TPAF Post-Retirement														
Less: On-Behalf TPAF LTD														
<b>Total State Financial Assistance</b>														

Total State Financial Assistance (5,348,651)

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

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2023**

**Note 1: General**

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

**Note 2: Basis of Accounting**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance and NJ OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The School District has elected not to use the 10% de minimis indirect cost rate.

**Note 3: Relationship to Basic Financial Statements**

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is 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 revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$83,003 for the general fund and (\$13,087) for the special revenue fund. See the Notes to the Required Supplementary Information 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 revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

	Federal	State	On-Behalf Contributions	Total
General Fund	\$ -	6,661,624	(3,225,571)	3,436,053
Special Revenue Fund	1,027,643	1,787,756		2,815,399
Debt Service Fund		188,505		188,505
Food Service Fund	253,850	9,283		263,133
Total Financial Assistance	\$ 1,281,493	8,647,168	(3,225,571)	6,703,090

**LOGAN TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS  
AND FINANCIAL ASSISTANCE  
JUNE 30, 2023  
(CONTINUED)**

The On-Behalf Pension Contributions made for the District by the State of New Jersey are recognized as revenue in the basic financial statements but are not considered in the major program determination.

**Note 4: Relationship to Federal and State Financial Reports**

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

**Note 5: Other**

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

**Note 6: Adjustments**

Amounts reported in the column entitled "adjustments" are shown in the table below for fiscal year 2022-2023:

	Federal	State
Prior year adjustment correction	\$ 11,657	244,484
Recapture of prior year expenditures	(42,295)	(15,133)
	\$ (30,638)	229,351
Total Financial Assistance		

**LOGAN TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2023**

Exhibit K-6

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	An Unmodified Opinion was issued on the Basic Financial Statements, dated January 10, 2024
Internal control over financial reporting:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Noncompliance material to basic financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
1) Material weakness identified?	No
2) Significant deficiencies identified?	None reported
Type of auditor’s report issued on compliance for major programs	An Unmodified Opinion was issued on the Basic Financial Statements, dated January 10, 2024
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Uniform Guidance?	No

Identification of major programs:

<b><u>Assistance Listing Number(s)</u></b>	<b><u>Name of Federal Program or Cluster</u></b>
	<b>Education Stabilization Fund Under The Coronavirus Aid, Relief and Economic Security Act</b>
84.425D	ESSER II
84.425D	CRRSA – Learning Acceleration
84.425D	CRRSA – Mental Health
84.425U	ARP – ESSER
84.425U	ARP – Evidence Based Summer
84.425U	ARP – Beyond School Day
84.425U	ARP- NJTSS Mental Health
	<b>Special Education Cluster</b>
84.027A	IDEA Basic
84.027X	ARP- IDEA
84.173A	IDEA Preschool

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**LOGAN TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2023  
(CONTINUED)**

Exhibit K-6

**Section I – Summary of Auditor’s Results (Continued)**

**State Awards**

Dollar threshold used to distinguish between type A and Type B Programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs:	An Unmodified Opinion was issued on compliance for major programs, dated January 10, 2024
Internal Control over major programs:	
1) Material weaknesses identified?	No
2) Significant deficiencies identified?	None reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08?	No

Identification of major programs:

<b><u>GMIS Number(s)</u></b>	<b><u>Name of State Program</u></b>
495-034-5120-089	<u>State Aid Public Cluster</u>
495-034-5120-068	Special Education Aid
495-034-5120-084	School Choice Aid
495-034-5120-078	Security Aid
495-034-5120-494	Equalization Aid
	Supplemental Stabilization Aid

**Section II - Financial Statement Findings**

In accordance with Government Auditing Standards, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

None

**LOGAN TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDING JUNE 30, 2023  
(CONTINUED)**

**Exhibit K-6**

***Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs***

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

**FEDERAL AWARDS**

Our audit disclosed no matters to be reported.

**STATE AWARDS**

Our audit disclosed no matters to be reported.



**LOGAN TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND  
QUESTIONED COSTS PREPARED BY MANAGEMENT  
FOR THE YEAR ENDING JUNE 30, 2023**

**Exhibit K-7**

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

**Financial Statement Findings**

**Finding 2022-001**

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Status: The condition has not been fully implemented. However, the Department of Agriculture has allowed districts to implement a plan to spend the excess funds during the upcoming school year.

**Federal Awards**

**Finding 2022-001**

Net cash resources in the Food Service Fund exceeded three months average expenditures.

Status: The condition has not been fully implemented. However, the Department of Agriculture has allowed districts to implement a plan to spend the excess funds during the upcoming school year.

**State Financial Assistance**

No Prior Year Findings.