

SCHOOL DISTRICT
OF
CITY

OF

NORTHFIELD

City of Northfield School District
Northfield, New Jersey

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

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Introductory Section

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Northfield Community School District

2000 New Road, Northfield, New Jersey 08225
District Website: www.ncs-nj.org

Pedro P. Bretones
Superintendent
Telephone: (609) 407-4000

Janice Dye
Director of Curriculum
Telephone: (609) 407-4010

Linda Albright
School Business Administrator
Telephone: (609) 407-4002

November 29, 2023

Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic

Dear Board Members:

The Annual Comprehensive Financial Report of the City of Northfield School District for the fiscal year ending June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of the principal officials. The financial section includes the basic financial statements and schedules, management's discussion and analysis, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section report.

1) **REPORTING ENTITY AND ITS SERVICES:** The City of Northfield School District is an independent reporting entity within the criteria set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*. All funds and account groups of the District are included in this report. The City of Northfield Board of Education and all its schools constitute the District's reporting entity.

"Children First"

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational, and special education for handicapped youngsters. The District October 15, 2022 enrollment was 873 K - 8 students, which is 14 greater students than the previous year’s enrollment. However, in January of 2019, the District began offering preschool under the Preschool Education Expansion Aid initiative and enrolled 19 additional students in the Northfield Community School and an additional 71 students that were placed with four private preschool providers in Northfield City in the 2022-2023 school year. This did not result in an increase in the October 2022 ASSA count, because the program is fully funded by the State of New Jersey and Pre-K students are not a part of our official October 15th count. The following details the October 15th official count changes in the student enrollment of the District over the last ten years, excluding Pre-K students.

Year	Enrollment	Change
2022-23	873	1.63%
2021-22	859	(3.16%)
2020-21	887	(3.48%)
2019-20	919	0.44%
2018-19	915	0.55%
2017-18	910	(1.09%)
2016-17	920	0.88%
2015-16	912	(2.15%)
2014-15	932	(5.28%)
2013-14	984	(3.46%)

2) **ECONOMIC CONDITION AND OUTLOOK:** Enrollment level have remained relatively stable since 2017-18 with a slight increase in 2023 over 2022. A new apartment complex continues under construction in the municipality consisting of 216 one and two bedroom apartments, and enrollments are predicted to rise even further in the coming years as a result. However, the decline in enrollments in 2021 was most likely due to COVID 19, with an increase in students being sent to private schools or home schooled, which may be the reason that we now see an increase in 2022 as students return to a normal school schedule. The District received a bond rating of A+/Stable due to the fact that Northfield had a mature, primary residential local economy with good incomes, moderate debt burden, and the District maintained a strong total general fund balance on a GAAP basis of accounting, despite two consecutive drawdowns. Furthermore, the consequences of a previous economic downturn and closures in the hospitality industry due to COVID 19 was higher unemployment rates in the region, which includes Northfield. The recent increase in housing requirements in the area and nationwide are causing economic conditions to continue to improve.

3) **MAJOR INITIATIVES:** The 2022-23 school year started with a complete in-person academic program even though the Coronavirus pandemic continued to some extent. Our full day preschool program, which was made available through the Preschool Expansion Aide initiative from the New Jersey Department of Education, continues with 10 classroom and has the potential to accommodate all 3 and 4 year olds in Northfield. Enrollments in preschool are slightly higher in 2023 as well.

The quality of our staff is impressive, with one hundred percent of our teachers deemed highly qualified. Goals identified through the 5 Year Strategic Plan will continue to be pursued throughout the 2023-2024 school year through implementation of the action plans that accompanied the Strategic Plan. In the 2022-23 school a new 5 Year Strategic Plan was developed with goals for the next five years.

All after-school clubs, sports and other programs were offered for the 2022-23 school year and are planned for the 2023-2024 school year as well.

The 2023-24 budget was developed by the Administration, Board Finance Committee, and full Board of Education, and was reviewed by the Atlantic County Superintendent of Schools' office. The 2023-24 general fund budget was increased by 3.02% due to a large State Aid increase and there was a 1% increase in tax levy. However, 2023 saw the first increase in net valuation of Northfield properties since 2010, 13 years, and therefore, the tax levy increase of 1.15% resulted in a minor tax increase of .67 cents. The most recent increase in real estate sales are causing the prices of homes to rise and is resulting in an increase of net valuation of \$5.3 million dollars.

Professional development activities were aligned to the District Professional Development Plan and the New Jersey Student Learning Standards in math and language arts. All curriculum in grades Pre-school through eight is continuously revised as appropriate. The Professional Development committee continued professional learning communities, focusing on development of benchmark testing and differentiated instruction, and social emotional learning among other topics. We continue to schedule regular and meaningful articulation within and between districts. The Student Information System (SIS) that was implemented five years ago continues to provide improved communication avenues with families. In addition we provide intervention supports for students who demonstrate a need through the New Jersey Tiered System of Supports (NJTSS). Our Elementary and Middle Schools continue to participate in the School Transformation Project (SCTP) which was originally brought to the district by Rutgers University. Our Middle School participated in year three of the SCTP.

Hazardous Materials Handling, Anti Bullying, Emergency Management Procedures, and Crisis Prevention workshops continue to help teachers and other staff gain knowledge in these areas to be better prepared to handle situations in their classroom and in the school building.

In an effort to improve our ability to differentiate instruction, our district is committed to assessing the efficacy of the staff to utilize data and provide supports as needed based on results of the assessment.

Technology integration and developing 21st century skill is a high priority as well as preparing for NJSLA-ELA and Math testing. This budget provided funds for the continuation of technology infrastructure, continued development of a STEAM (Science, Technology, Engineering, Art, and Mathematics) programming, curriculum upgrades, and distance learning professional development.

The 2022-2023 budget also provided funds for District maintenance of building and grounds. In addition to annual and routine maintenance performed on a regular basis, larger projects are planned for each summer to continue to maintain the taxpayers' investment to the facility. During

the summer of 2023 needed storage space was facilitated with the refurbishing of an old existing brick shed on campus. Additionally, asphalt repair work was done on the campus parking lot.

4) INTERNAL ACCOUNTING CONTROLS: Management of the 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 or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control 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 derived; and (2) the valuation of costs and benefits requires 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 evaluation by the District management. District management has developed a standard operating procedures and internal controls manual in accordance with N.J.A.C. 6A:23A-6, which was adopted by the Board of Education in December 2009, and will be revised as needed and re-adopted annually at the Board's Reorganization meeting.

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

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

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7) DEBT ADMINISTRATION: At June 30, 2023, the District's outstanding debt issues included \$1,623,000 in bonds, and \$-0- for capital leases.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 1. The District has adopted a cash management plan which requires it to deposit public funds in Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a

loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

9) **RISK MANAGEMENT**: The Board carries various forms of insurance, including, but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft on property and contents, and fidelity bonds.

10) **OTHER INFORMATION**: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Accounting firm of Ford ~ Scott & Associates, L.L.C. was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit is designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB Circular Letter 04-04. The auditor’s report on the basic financial statements and combining and individual fund statements and schedules are 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.

11) **ACKNOWLEDGEMENTS**: We would like to express our appreciation to the members of the City of Northfield School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,

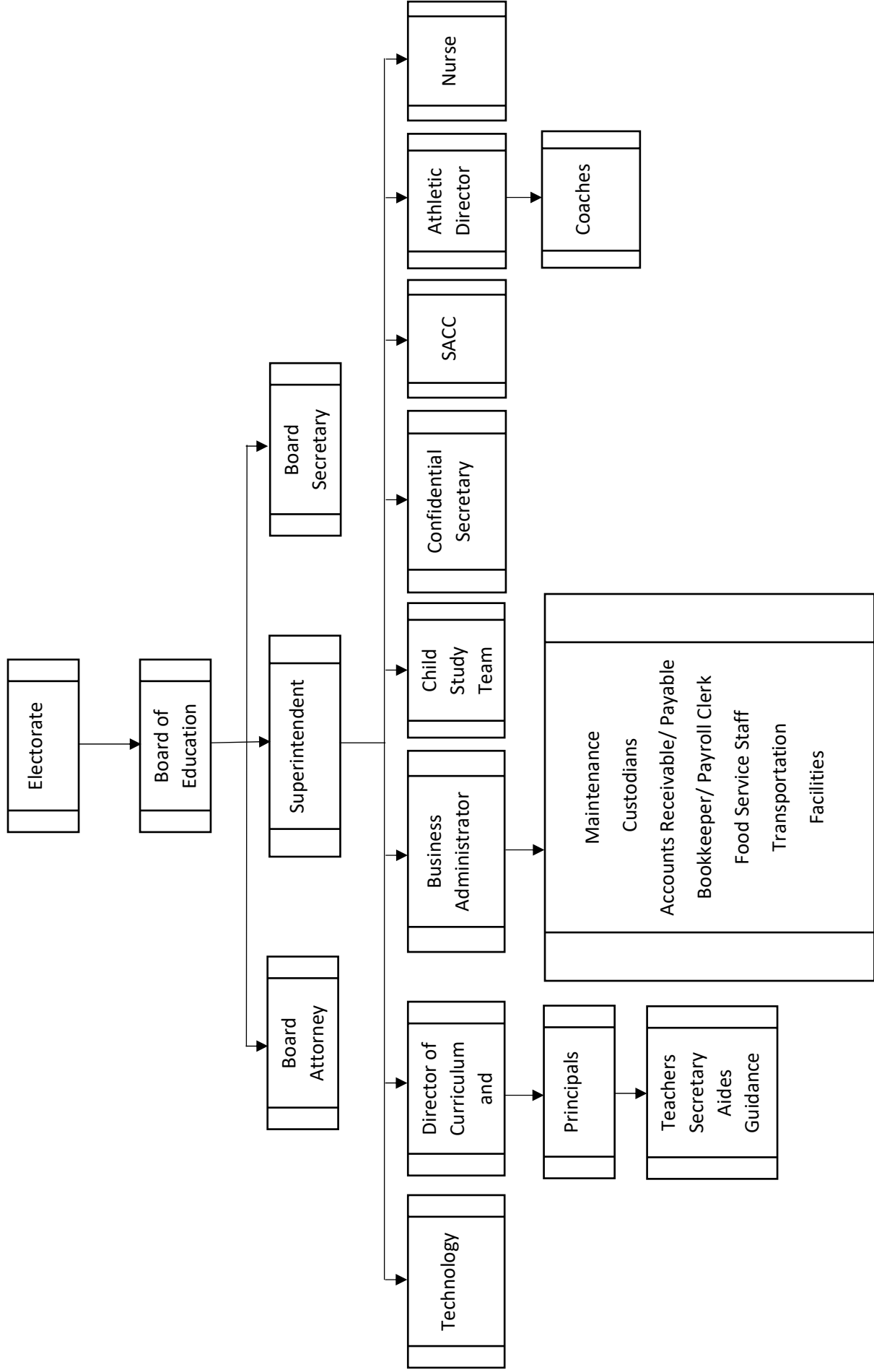
Pedro Bretones

Pedro Bretones
Superintendent of Schools

Jamie Shoemaker

Jamie Shoemaker
Business Administrator/Board Secretary

Organizational Chart



CITY OF NORTHFIELD BOARD OF EDUCATION

Roster of Officials

June 30, 2023

<u>Board Members</u>	<u>Term Expires</u>
Deborah Levitt, President	2024
Jason Yard, Vice President	2024
Jon Barnhart	2023
Kristen Elliott	2024
Stephen Funk	2025
Christopher Kennedy	2023
Kevin O’Connell	2025
Jillian Tafeen	2025
Ruben Garrido	2023

Other Officials

Pedro Bretones, Superintendent of Schools

Jamie Shoemaker (effective October 1, 2023), Business Administrator/Board Secretary

Linda Albright (through September 30, 2023), Business Administrator/Board Secretary

CITY OF NORTHFIELD BOARD OF EDUCATION

Consultants and Advisors

June 30, 2023

Architect

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Attorney

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&
Mr. John Geppert, Esq.
Scarinci & Hollenbeck, LLC
1100 Valley Brook Avenue
Lyndhurst, NJ 07071

Audit Firm

Ford ~ Scott & Associates, LLC
Certified Public Accountants
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Continuing Disclosure Agent

Phoenix Advisors, LLC
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Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic, 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 City of Northfield School District, in the County of Atlantic, New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 November 29, 2023 on our consideration of the City of Northfield 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 City of Northfield 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

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Licensed Public School Accountant
No. 2426

November 29, 2023

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Required Supplemental Information
Part I

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MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the City of Northfield School District (“District”) annual financial report presents our discussion and analysis of the District’s financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District increased \$979,404.72. The increase is due mainly to an increase in Federal and State Aid.
- The State of New Jersey reimbursed the District \$578,540.93 during the fiscal year ended June 30, 2023 for the employer’s share of social security contributions and pension contributions for TPAF members as calculated on their base salaries. Also, the State of New Jersey paid \$3,447,585 on behalf of the District for TPAF Pension Contributions. These amounts, which are not budgeted, are included as both a revenue and appropriation in the financial statements.
- As indicated by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to 4% of the total general fund expenditures. Any excess is required to be designated as Reserved Fund Balance – Excess Surplus and included in the next year’s budget as budgeted fund balance. As of June 30, 2023, the District had excess fund balance in the amount of \$1,327,377.85, of which \$509,399.87 has been included in the 2023-2024 budget and the remaining \$817,977.98 will be included in the 2024-2025 budget.
- During the fiscal year ended June 30, 2023, the District’s revenues exceeded expenditures by \$396,967.62. This was mainly a result of an increase in federal and state sources. During the prior fiscal year, revenues exceeded expenditures by \$453,773.22.
- In the District’s business-type activities, net assets increased \$89,918.46 due to revenues exceeding the cost of operations.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management’s discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District’s government, reporting on the District’s operations in *more detail* than the government-wide statements.
 - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
 - *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the District operates like businesses, such as the food service and after school program.
 - *Fiduciary fund* statements provide information about the financial relationships – like the unemployment trust fund – in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District’s financial statements, including the portion of the District’s government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

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**Major Features of the City of Northfield School District's
Government-wide and Fund Financial Statements
(Figure A-1)**

	Government wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as food service and after school programs and student activities	Activities the District operates similar to private businesses; food service and after school programs	Instances in which the District is the trustee or agent for someone else's resources, such as payroll agency and student activities.
Required financial statements	Statement of net position Statement of changes in net position	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short- term and long- term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.	All assets and liabilities, both financial and capital, and short-term and long-term.	All assets and liabilities, both short-term and long-term.

Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses, regardless of when cash is received or paid.	All revenues and expenses during year, regardless of when cash is received or paid.
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Government-wide Statements

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

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

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

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* – most of the District’s basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – the District charges fees to customers to help it cover the costs of certain services it provides. The District’s food program and after school program are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information. In fact, the District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for other assets that - because of a trust arrangement – can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position: The District's governmental activities net position increased \$979,404.72 between fiscal years 2022 and 2023. The business-type activities net assets increased \$89,918.46 due to revenues exceeding operating costs.

	Governmental Activities		Business Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	3,886,801.71	3,365,443.78	441,476.28	362,364.79	4,328,277.99	3,727,808.57
Capital Assets	12,537,035.34	12,902,264.34	71,680.38	35,378.90	12,608,715.72	12,937,643.24
Deferred Outflows	413,712.00	389,685.00			413,712.00	389,685.00
Total Assets	16,837,549.05	16,657,393.12	513,156.66	397,743.69	17,350,705.71	17,055,136.81
Long-term Liabilities	4,477,714.76	4,392,055.84			4,477,714.76	4,392,055.84
Other Liabilities	663,427.98	623,094.69	140,325.87	114,831.36	803,753.85	737,926.05
Deferred Inflows	639,459.00	1,564,700.00			639,459.00	1,564,700.00
Total Liabilities	5,780,601.74	6,579,850.53	140,325.87	114,831.36	5,920,927.61	6,694,681.89
Net Position						
Invested in Capital Assets	10,914,035.34	10,704,264.34	71,680.38	35,378.90	10,985,715.72	10,739,643.24
Restricted	832,952.88	530,051.17			832,952.88	530,051.17
Unrestricted	(690,040.91)	(1,156,772.92)	301,150.41	247,533.43	(388,890.50)	(909,239.49)
Total Net Position	11,056,947.31	10,077,542.59	372,830.79	282,912.33	11,429,778.10	10,360,454.92

Changes in net position. The total general fund revenue of the District increased approximately \$979,404.72 due to an increase in State aid and operating grants. The local tax levy is 48.15% of total general fund revenues. The municipality levies this tax on properties located in the Township and remits the collections on a monthly basis to the District.

Approximately 23.77% of the District's revenue comes from the State of New Jersey in the form of non-restricted state aid. This aid is based on the District's enrollment as well as other factors such as legislative funding of the SFRA formula. The District expenses are primarily related to instruction, administration, and plant operations.

	2023		2021	
	2023 Amount	Percentage	2022 Amount	Percentage
Property taxes	\$ 10,905,846.00	48.15%	\$ 10,731,133.00	46.71%
Unrestricted Federal and State aid	5,384,284.72	23.77%	4,843,459.15	21.08%
Charges for Services	40,000.00	0.18%	27,000.00	0.12%
Miscellaneous	93,510.82	0.41%	32,912.42	0.14%
Operating grants and contributions	6,228,039.75	27.49%	7,337,466.95	31.94%
Totals	\$ 22,651,681.29	100.00%	\$ 22,971,971.52	100.00%

Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2023 and 2022 fiscal years.

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenue						
Charges for services	\$ 40,000.00	27,000.00	531,136.53	303,813.64	571,136.53	330,813.64
Federal and state grants	6,228,039.75	7,337,466.95	219,070.55	449,719.70	6,447,110.30	7,787,186.65
General revenues						
Property taxes	10,905,846.00	10,731,133.00			10,905,846.00	10,731,133.00
State aid entitlements	5,384,284.72	4,843,459.15			5,384,284.72	4,843,459.15
Miscellaneous	93,510.82	32,912.42	1,758.78	192.11	95,269.60	33,104.53
Total revenues	22,651,681.29	22,971,971.52	751,965.86	753,725.45	23,403,647.15	23,725,696.97
Expenses						
Total Instruction:	13,027,314.81	13,337,918.40				
Total Support services:	8,604,412.80	8,943,787.22				
Int & Charges on Long-Term Debt	40,548.96	52,856.26			40,548.96	52,856.26
Business-type activities			662,047.40	607,575.29	662,047.40	607,575.29
Total expenses	21,672,276.57	22,334,561.88	662,047.40	607,575.29	702,596.36	660,431.55
Excess (Deficiency) before						
Extraordinary and Special items	979,404.72	637,409.64	89,918.46	146,150.16	1,069,323.18	783,559.80
Transfers/Special items				(4,345.00)	-	(4,345.00)
Increase (decrease) in net position	\$ 979,404.72	637,409.64	89,918.46	141,805.16	1,069,323.18	779,214.80

Business-type Activities

Operating revenues of the District's business-type activities decreased by \$3,326.26 from the previous year, miscellaneous revenues increased by \$1,566.67 and expenditures increased by \$54472.11

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of \$3,188,325.23 which is \$439,485.72 higher than the beginning of the year. This is mainly a result of the increase in instructional expenses and student and instruction related services.

General Fund Budgetary Highlights

As further explained in the notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office annually. Transfers of appropriations that do not exceed 10% on a cumulative basis may be made by Board resolution at any time during the fiscal year. Transfers of appropriations that exceed 10% on a cumulative basis must be approved by the Commissioner of Education. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf contributions, which are not budgeted, the District's actual revenue was more than the budget by \$202,410.64. This is a result of additional extraordinary aid and non-public transportation. Again, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf contributions, actual expenditures were \$684,606.72 less than the budgeted appropriations. This is result of lower instructional costs, transportation costs and benefits costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the District had invested over \$12 million, net of depreciation, in a broad range of capital assets, including land, buildings and equipment. Refer to Note 4 for more detailed information.

	Governmental Activities		Business-type Activities		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Buildings and Improvements	\$ 12,175,557.77	12,790,027.77			12,175,557.77	12,790,027.77
Equipment	361,477.57	112,236.57	71,670.00	35,377.00	433,147.57	147,613.57
Total	\$ 12,537,035.34	12,902,264.34	71,670.00	35,377.00	12,608,705.34	12,937,641.34

Long-term Debt

At June 30, 2023, the School district has \$4,479,714.76 of outstanding debt.

	Balance June 30, 2022	Issued	Retired/ Adjusted	Balance June 30, 2023
General Obligations Bonds	\$ 2,198,000.00		575,000.00	1,623,000.00
Compensated Absences Payable	237,568.43	124,501.68	60,829.35	301,240.76
Right to Use Leased Assets	10,420.00	60,388.00	22,922.00	47,886.00
Net Pension Liability	1,923,242.00	582,346.00		2,505,588.00
Total	<u>\$ 4,369,230.43</u>	<u>767,235.68</u>	<u>658,751.35</u>	<u>4,477,714.76</u>

More detailed information about the District's long-term debt is presented in Note 5 to the financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at

School Business Administrator/ Board Secretary
City of Northfield School District
2000 New Road
Northfield, NJ 08317

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BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the district's operation. These financial statements present the financial position and operating results of all funds as of June 30, 2023

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DISTRICT-WIDE FINANCIAL STATEMENTS

The district-wide financial statements provide a financial overview of the district's operation. These financial statements present the financial position and operating results of the governmental and business-type funds as of June 30, 2023

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CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	3,544,480.55	435,636.72	3,980,117.27
Receivables, net			-
Due from other governments	275,944.95		275,944.95
Internal Funds	18,490.21	(18,490.21)	-
Other receivables	-	8,906.41	8,906.41
Prepaid Expenses		-	-
Inventory	-	15,423.36	15,423.36
Right to Use Leased Assets	47,886.00	-	47,886.00
Capital assets, net of accumulated depreciation	12,537,035.34	71,680.38	12,608,715.72
Total Assets	<u>16,423,837.05</u>	<u>513,156.66</u>	<u>16,936,993.71</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	413,712.00		413,712.00
Total Deferred Outflows of Resources	<u>413,712.00</u>	<u>-</u>	<u>413,712.00</u>
LIABILITIES			
Accounts payable	310,286.27	21,013.82	331,300.09
Accrued Interest Payable	12,837.50		12,837.50
Due to Grantor	132.00		
Deferred Revenue	340,172.21	119,312.05	459,484.26
Noncurrent liabilities:			
Due within one year	550,000.00		550,000.00
Due beyond one year	1,422,126.76		1,422,126.76
Net Pension Liability	2,505,588.00		2,505,588.00
Total liabilities	<u>5,141,142.74</u>	<u>140,325.87</u>	<u>5,281,336.61</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	639,459.00		639,459.00
NET POSITION			
Invested in Capital Assets, net of related debt	10,914,035.34	71,680.38	10,985,715.72
Restricted for:			
Student Activities	14,973.90		14,973.90
Other purposes	817,978.98	-	817,978.98
Unrestricted	(690,040.91)	301,150.41	(388,890.50)
Total Net Position	<u>11,056,947.31</u>	<u>372,830.79</u>	<u>11,429,778.10</u>

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:						
Instruction:						
Regular	5,000,006.00	2,567,358.08	40,000.00	1,015,045.77	(6,512,318.31)	(6,512,318.31)
Special education	3,205,111.48	1,637,417.41		1,847,314.78	(2,995,214.11)	(2,995,214.11)
Other Special	408,651.32	208,770.52		82,540.74	(534,881.10)	(534,881.10)
Support services:						
Tuition	451,678.39				(451,678.39)	(451,678.39)
Student and Instruction Related Services	3,282,283.22	1,773,398.41		3,136,607.20	(1,919,074.43)	(1,919,074.43)
General Administration	306,127.19	183,409.74		8,347.57	(481,189.36)	(481,189.36)
School Administration	329,928.07	197,669.54		8,996.58	(518,601.03)	(518,601.03)
Central Services	259,388.96	155,407.51		7,073.10	(407,723.37)	(407,723.37)
Administrative Information Technology	143,735.97	86,238.94		3,925.01	(226,049.90)	(226,049.90)
Plant Operations and Maintenance	1,140,987.69				(1,140,987.69)	(1,140,987.69)
Pupil Transportation	261,736.17				(261,736.17)	(261,736.17)
Unallocated benefits	6,809,670.15	(6,809,670.15)				
Transfer to Charter School	32,423.00				(32,423.00)	(32,423.00)
Interest and Charges on Long-Term Debt	40,548.96		40,000.00	118,189.00	77,640.04	77,640.04
Total governmental activities	21,672,276.57	-	40,000.00	6,228,039.75	(15,404,236.82)	(15,404,236.82)
Business-type activities:						
School Aged Child Care Program	294,987.77		304,440.10	219,070.55	9,452.33	9,452.33
Food Service	367,059.63		226,696.43		78,707.35	78,707.35
Total business-type activities	662,047.40		531,136.53	219,070.55	88,159.68	88,159.68
Total Primary Government	22,334,323.97		571,136.53	6,447,110.30	(15,316,077.14)	(15,316,077.14)
General revenues:						
Taxes:						
Property taxes, levied for general purposes					10,404,413.00	10,404,413.00
Property taxes, levied for debt service					501,433.00	501,433.00
Federal and State Aid Not Restricted					5,384,284.72	5,384,284.72
Miscellaneous Income					93,510.82	93,510.82
Cancelled receivable					1,758.78	1,758.78
OTHER FINANCING SOURCES (USES)						
Transfer to Other Funds						
Total General Revenues, Special Items, Extraordinary Items, and Transfers					16,383,641.54	16,383,641.54
Change in Net Position					979,404.72	979,404.72
Net Position—beginning					10,077,542.59	10,077,542.59
Net Position—ending					11,056,947.31	11,056,947.31

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

FUND FINANCIAL STATEMENTS

The combining and individual fund statements and schedules present more detailed information for the individual funds in a format that segregates information by fund type. The statements are segregated as follows:

Governmental Funds - This section consists of the general, special revenue, capital projects funds.

Proprietary Funds - This section consists of the food service fund and internal service funds. This fund is operated in a manner similar to a private business enterprise.

Fiduciary Funds - This section consists of the unemployment compensation insurance trust fund, the student activity fund, and the payroll agency fund.

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CITY OF NORTHFIELD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS:				
Cash and cash equivalents	1,543,153.17	264,117.38	1.00	1,807,271.55
Capital Reserve	1,337,809.00			1,337,809.00
Maintenance Reserve	399,400.00			399,400.00
Due from other funds	18,490.21			18,490.21
Receivables from other governments	230,905.59	45,039.36		275,944.95
Other Receivables				-
Total assets	<u>3,529,757.97</u>	<u>309,156.74</u>	<u>1.00</u>	<u>3,838,915.71</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	148,238.14	162,048.13		310,286.27
Due to Grantor		132.00		132.00
Interfund Payable				-
Unearned Revenue		340,172.21		340,172.21
Total liabilities	<u>148,238.14</u>	<u>502,352.34</u>	<u>-</u>	<u>650,590.48</u>
Fund Balances:				
Restricted for:				
Excess Surplus	817,977.98			817,977.98
Excess Surplus - Designated for Subsequent Year's Expenditures	509,399.87			509,399.87
Maintenance Reserve	1,337,809.00			1,337,809.00
Capital Reserve	399,400.00			399,400.00
Payroll Liabilities	84,604.11			84,604.11
Student Activities		14,973.90		14,973.90
Debt Service Fund			1.00	1.00
Assigned to:				
Designated for Subsequent Year's Expenditures	119,038.13			119,038.13
Encumbrances	206,880.02			206,880.02
Unreserved, reported in:				
General Fund	(93,589.28)			(93,589.28)
Special Revenue Fund		(208,169.50)		(208,169.50)
Total Fund balances	<u>3,381,519.83</u>	<u>(193,195.60)</u>	<u>1.00</u>	<u>3,188,325.23</u>
Total Liabilities and Fund Balances	<u>3,529,757.97</u>	<u>309,156.74</u>	<u>1.00</u>	

Amounts reported for governmental activities in the statement of net assets (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 \$24,820,160.36, and the accumulated depreciation is \$12,902,264.34	12,537,035.34
Accrued interest payments on long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(12,837.50)
Pension Liabilities Net of Deferred Outflows & Inflows	(2,731,335.00)
Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.	47,886.00
Long-term liabilities, including capital leases payable, are not due and payable in the current period therefore, are not reported as liabilities in the funds.	<u>(1,972,126.76)</u>
Net assets of governmental activities	<u>11,056,947.31</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Local tax levy	10,404,413.00		501,433.00	10,905,846.00
Tuition	40,000.00			40,000.00
Federal Sources	77,564.82	1,277,714.81		1,355,279.63
State Sources	9,332,845.83	2,553,249.58	118,189.00	12,004,284.41
Local Sources		111,868.91		111,868.91
Interest Earned	15,163.73			15,163.73
Miscellaneous	78,347.09			78,347.09
Total revenues	<u>19,948,334.47</u>	<u>3,942,833.30</u>	<u>619,622.00</u>	<u>24,510,789.77</u>
EXPENDITURES				
Current:				
Regular instruction	5,362,327.14			5,362,327.14
Special education instruction	2,220,065.43	1,199,935.81		3,420,001.24
School Sponsored Activities				-
Other instruction	436,049.74			436,049.74
Support services and undistributed costs:				
Tuition	451,678.39			451,678.39
Student and Instruction Related Services	1,311,070.71	2,392,948.01		3,704,018.72
General Administration	383,079.80			383,079.80
School Administration	412,863.62			412,863.62
Central Services	324,592.78			324,592.78
Administrative Information Technology	180,123.45			180,123.45
Plant Operations and Maintenance	1,140,987.69			1,140,987.69
Pupil Transportation	261,736.17			261,736.17
Other Support Services	-			-
Employee Benefits	6,809,670.15			6,809,670.15
Capital outlay	157,223.78	307,431.50		464,655.28
Transfer to Charter Schools	32,423.00			32,423.00
Debt Service:				
Principal	-		575,000.00	575,000.00
Interest and Other Charges	-		44,621.88	44,621.88
Total expenditures	<u>19,483,891.85</u>	<u>3,900,315.32</u>	<u>619,621.88</u>	<u>24,003,829.05</u>
Excess (Deficiency) of revenues over expenditures	<u>464,442.62</u>	<u>42,517.98</u>	<u>0.12</u>	<u>506,960.72</u>
OTHER FINANCING SOURCES (USES)				
Transfer to Maintenance Reserve	-			-
Transfer to Capital Reserve	-			-
Assets aquired by Capital Lease	-			-
Transfer to Other Funds	(67,475.00)		-	(67,475.00)
Total other financing sources and uses	<u>(67,475.00)</u>	<u>-</u>	<u>-</u>	<u>(67,475.00)</u>
Net change in fund balances	396,967.62	42,517.98	0.12	439,485.72
Fund balance—July 1	2,984,552.21	(235,713.58)	0.88	2,748,839.51
Fund balance—June 30	<u>3,381,519.83</u>	<u>(193,195.60)</u>	<u>1.00</u>	<u>3,188,325.23</u>

**CITY OF NORTHFIELD SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2023**

Total net change in fund balances - governmental funds (from B-2)		439,485.72						
<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, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period</p>								
	<table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 10px;">Depreciation expense</td> <td style="text-align: right;">(804,523.00)</td> </tr> <tr> <td style="padding-right: 10px;">Disposal of Assets/Adjustments</td> <td style="text-align: right;">(20,561.00)</td> </tr> <tr> <td style="padding-right: 10px;">Capital Outlays</td> <td style="text-align: right;"><u>459,853.00</u></td> </tr> </table>	Depreciation expense	(804,523.00)	Disposal of Assets/Adjustments	(20,561.00)	Capital Outlays	<u>459,853.00</u>	(365,231.00)
Depreciation expense	(804,523.00)							
Disposal of Assets/Adjustments	(20,561.00)							
Capital Outlays	<u>459,853.00</u>							
<p>Repayment of long term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.</p>								
	<table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 10px;">Bond Principle</td> <td style="text-align: right;">575,000.00</td> </tr> <tr> <td style="padding-right: 10px;">Capital Leases</td> <td style="text-align: right;"><u>-</u></td> </tr> </table>	Bond Principle	575,000.00	Capital Leases	<u>-</u>	575,000.00		
Bond Principle	575,000.00							
Capital Leases	<u>-</u>							
<p>District pension contributions - PERS</p>								
Cost of benefits earned net of employee contributions:	<table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 10px;">157,555.00</td> </tr> <tr> <td style="padding-right: 10px;"><u>209,369.00</u></td> </tr> </table>	157,555.00	<u>209,369.00</u>	366,924.00				
157,555.00								
<u>209,369.00</u>								
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditure for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+)</p>								
		(40,846.92)						
<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 (decrease)/increase in accrued interest from the previous year is an increase/(decrease) in the reconciliation</p>								
		4,072.92						
Change in net assets of governmental activities		<u><u>979,404.72</u></u>						

CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-type Activities - Enterprise Funds		Totals
	Food Service	School Aged Child Care	
ASSETS			
Current assets:			
Cash and cash equivalents	217,949.25	217,687.47	435,636.72
Accounts receivable	8,906.41	-	8,906.41
Interfund Receivable	-	-	-
Prepaid expenses	-	-	-
Inventories	15,423.36	-	15,423.36
Total current assets	242,279.02	217,687.47	459,966.49
Noncurrent assets:			
Furniture, machinery & equipment	201,009.23	126,982.15	327,991.38
Less accumulated depreciation	(168,316.00)	(87,995.00)	(256,311.00)
Total noncurrent assets	32,693.23	38,987.15	71,680.38
Total assets	274,972.25	256,674.62	531,646.87
LIABILITIES			
Current liabilities:			
Accounts Payable	21,013.82	-	21,013.82
Deferred Revenue	-	119,312.05	119,312.05
Interfunds Payable	-	18,490.21	18,490.21
Total liabilities	21,013.82	137,802.26	158,816.08
NET POSITION			
Invested in capital assets net of accumulated depreciation	32,693.23	38,987.15	71,680.38
Unrestricted	221,265.20	79,885.21	301,150.41
Total net position	253,958.43	118,872.36	372,830.79

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities - Enterprise Fund		Total
	Food Service	School Aged Child Care	
OPERATING REVENUES:			
Local Sources:			
Daily Sales - Reimbursable Programs	174,620.90	-	174,620.90
Daily Sales - Non-Reimbursable Programs	52,075.53	-	52,075.53
Program Revenue	-	304,440.10	304,440.10
Total Operating Revenues	226,696.43	304,440.10	531,136.53
OPERATING EXPENSES:			
Instructor Costs	-	243,184.96	243,184.96
Cost of Sales - Reimbursable Programs	138,474.07	-	138,474.07
Cost of Sales - Non- Reimbursable Programs	18,755.63	-	18,755.63
Payroll	155,358.98	-	155,358.98
General Supplies	5,352.54	7,736.08	13,088.62
Depreciation	2,560.00	6,844.00	9,404.00
Management Fee	35,966.19	-	35,966.19
Program Costs	-	26,278.55	26,278.55
Other Costs	10,592.22	10,944.18	21,536.40
Total Operating Expenses	367,059.63	294,987.77	662,047.40
Operating income (loss)	(140,363.20)	9,452.33	(130,910.87)
NONOPERATING REVENUES:			
State sources:			
State School Lunch and Breakfast Program	4,303.47	-	4,303.47
State School Breakfast Program	1,491.10	-	1,491.10
Federal sources:			
National School Lunch Program	159,070.32	-	159,070.32
National School Breakfast Program	16,772.53	-	16,772.53
Food Distribution Program	37,433.13	-	37,433.13
Interest on Investments	946.17	812.61	1,758.78
Total Nonoperating Revenues	220,016.72	812.61	220,829.33
Net Income/(loss)	79,653.52	10,264.94	89,918.46
Operating Transfer	-	-	-
Cancelled Receivable	-	-	-
Net Position - July 1	174,304.91	108,607.42	282,912.33
Net Position - June 30	253,958.43	118,872.36	372,830.79

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

Business-type Activities -
Enterprise Fund

	Food Service	School Aged Child Care	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 188,494.50	335,458.87	523,953.37
Cash payments to employees for services	(155,358.98)	(243,184.96)	(398,543.94)
Cash payments to suppliers for goods and services	(174,486.53)	(44,958.81)	(219,445.34)
Net cash provided/(used) by operating activities	<u>(141,351.01)</u>	<u>47,315.10</u>	<u>(94,035.91)</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Cash received from state and federal reimbursements	252,508.87	-	252,508.87
Purchase of capital assets	(20,046.26)	(21,146.03)	(41,192.29)
Interfund loans	614.00	5,114.23	5,728.23
Net cash provided by noncapital financing activities	<u>233,076.61</u>	<u>(16,031.80)</u>	<u>217,044.81</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and Dividends	946.17	812.61	1,758.78
Net cash provided by investing activities	<u>946.17</u>	<u>812.61</u>	<u>1,758.78</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	92,671.77	32,095.91	124,767.68
Cash and Cash Equivalents, July 1	<u>125,277.48</u>	<u>185,591.56</u>	<u>310,869.04</u>
Cash and Cash Equivalents, June 30	<u>217,949.25</u>	<u>217,687.47</u>	<u>435,636.72</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income/(Loss)	(140,363.20)	9,452.33	(130,910.87)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash provided by (used for) Operating Activities:			
Depreciation	2,560.00	6,844.00	9,404.00
Change in assets and liabilities:			
(Increase) in accounts receivable	(37,692.32)	-	(37,692.32)
Food Distribution Program	37,433.13		
(Increase) in inventory	(7,578.36)	-	(7,578.36)
Decrease in prepaid expenses	9,814.00	-	9,814.00
(Decrease) in accounts payable	(5,014.65)	-	(5,014.65)
(Decrease) Increase in unearned revenue	(509.61)	31,018.77	30,509.16
Net Cash Provided by (Used for) Operating Activities	<u>\$ (141,351.01)</u>	<u>\$ 47,315.10</u>	<u>\$ (131,469.04)</u>

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The financial statements of the Board of Education (Board) of the City of Northfield 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.

A. REPORTING ENTITY:

The City of Northfield School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the district is to educate students in grades Pre-K-8. Students in grades 9-12 attend Mainland Regional High School. The City of Northfield School District had an approximate enrollment on June 30, 2023 of 873 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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, special revenue, capital project, and debt service activities are classified as governmental activities. The District's food service is classified as business-type activities.

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 and latch-key program). The functions are also supported by general government revenues (property taxes, 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, special education, 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, On-behalf TPAF Post Retirement Medical 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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 No. 34 sets 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 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 is applied to proprietary funds.

The following fund types are used by the 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.
- 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 (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds.
- d. **Debt Service** funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

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:

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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 District's enterprise funds consist of a food service fund and after school care fund.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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.

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 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	\$	12,500.51
Supplies		<u>2,922.85</u>
Total	\$	<u><u>15,423.36</u></u>

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 non-operating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2023 is \$8,606.10

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

4. Capital:

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	10-50 years
Equipment & Vehicles	5-10 years
Improvements	10-50 years
Furniture & Equipment	5-20 years

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 voted upon or certified, prior to the end of the school year. The 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 eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

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 an expenditure and 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

8. Interfund Activity:

Interfund activity is reported as either 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. The following are the major transfers made during the year:

	To	From
PK and Kindergarten Salaries of Teachers	\$	52,000.00
Grades 1-5 Salaries of Teachers	32,619.00	
Grades 6-8 Salaries of Teachers	36,723.00	
Textbooks		33,885.00
Spec Ed MD Salaries of Teachers	63,276.00	
Spec Ed MD Other Salaries		155,635.00
Spec Ed MD Purch Ed Services	63,809.00	
Spec Ed. PK Disabilities Salaries of Teachers		57,000.00
Tuition to CSSD & Regional Day Schools		118,720.00
Tuition to Private Schools within State	94,720.00	
Tuition Other		33,391.99
Student Related Services - Purch Prof Ed Svcs	88,250.00	
Other Support Svcs - Other Salaries		77,956.00
Other Support Svcs - Purch Prof Ed Svcs	44,000.00	
Security Purch Prof Svcs	52,122.00	
Contracted Svcs Vendors		39,881.00
Health Benefits		291,002.00
Maintenance Equipment	115,637.00	
Equipment - Technology		34,505.00

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

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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. Encumbrances

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

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

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

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 District has allocated unallocated benefits to various programs based on the actual expenditures by program.

14. 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 Teachers 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.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the 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, may have an effect on the District's financial reporting.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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, may have an effect on the District's financial reporting.

NOTE 2. 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 investments 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 3. 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, \$0 of the District's bank balance of \$4,324,344.15 was exposed to custodial credit risk.

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**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 4. FIXED ASSETS

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

	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Adjustments</u>	<u>Balance June 30, 2023</u>
Governmental Activities:					
Land Improvements	\$ 1,469,107.00	19,200.00			1,488,307.00
Bldg and bldg improve	22,629,625.77	133,597.00	(19,187.00)		22,744,035.77
Machinery & equipment	721,427.59	307,056.00	(60,980.00)		967,503.59
Total at historical cost	<u>24,820,160.36</u>	<u>459,853.00</u>	<u>(80,167.00)</u>	-	<u>25,199,846.36</u>
Less accum depr for:					
Land Improvements	(841,224.00)	(53,150.00)			(894,374.00)
Bldg and improve	(10,467,481.00)	(701,649.00)	6,719.00		(11,162,411.00)
Machinery & equipment	(609,191.02)	(49,724.00)	52,889.00		(606,026.02)
Total accum deprec	<u>(11,917,896.02)</u>	<u>(804,523.00)</u>	<u>59,608.00</u>	-	<u>(12,662,811.02)</u>
Total capital assets being depr, net of accum depr	<u>12,902,264.34</u>	<u>(344,670.00)</u>	<u>(20,559.00)</u>	-	<u>12,537,035.34</u>
Governmental activities capital assets, net	<u>\$ 12,902,264.34</u>	<u>(344,670.00)</u>	<u>(20,559.00)</u>	-	<u>12,537,035.34</u>
Business-type activities:					
Equipment	285,685.00	45,706.00	(3,400.00)		327,991.00
Less accum depr for:					
Equipment	<u>(250,306.10)</u>	<u>(9,404.00)</u>	<u>3,400.00</u>		<u>(256,310.10)</u>
Business-type activities capital assets, net	<u>\$ 35,378.90</u>	<u>36,302.00</u>	-	-	<u>71,680.90</u>

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 303,318.45
Special education	193,451.36
Other special instruction	24,665.03
Student & instruction related services	209,516.73
School administrative expenses	21,668.80
General and business administration	23,353.51
Central Services	18,360.49
Information Technology	10,188.63
	<u>\$ 804,523.00</u>

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 5. GENERAL LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Issued	Retired	Balance June 30, 2023	Amounts Due Within One Year
General Obligation Bonds	\$ 2,198,000.00		575,000.00	1,623,000.00	550,000.00
Compensated Absences	237,568.43	124,501.68	60,829.35	301,240.76	
Right to Use Leased Assets	10,420.00	60,388.00	22,922.00	47,886.00	
Net Pension Liability	1,923,242.00	582,346.00		2,505,588.00	
	<u>\$ 4,369,230.43</u>	<u>767,235.68</u>	<u>658,751.35</u>	<u>4,477,714.76</u>	<u>550,000.00</u>

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

On July 22, 2015, the Board issued \$5,678,000.00 in school refunding bonds, due in annual installments through 2025, with variable interest rates between 2.125% and 2.50%. The balance remaining as of June 30, 2023, is \$1,623,000.00.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 550,000.00	\$ 32,325.00	\$ 582,325.00
2025-2026	<u>1,073,000.00</u>	<u>26,143.75</u>	<u>1,099,143.75</u>
	<u>\$ 1,623,000.00</u>	<u>\$ 58,468.75</u>	<u>\$ 1,681,468.75</u>

NOTE 6. PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans 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 Pensions 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/annrpts_archive.htm.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

Teachers' Pension and Annuity Fund

The Teachers' Pension and Annuity Fund was established in January, 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

The Public Employees' Retirement System was established in January, 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 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.

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 rate is 7.5% 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 \$2,729,715, \$2,778,887, and \$1,984,527.00, respectively, and paid by the State of New Jersey on behalf of the board. The School District's contributions to PERS for the years ending June 30, 2023, 2022, and 2021 were \$209,369, \$1,190,127, and \$196,501.00, respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2023, 2022, and 2021 the State of New Jersey contributed \$717,090.00, \$649,947.00, and \$622,709.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$578,540.93, \$561,671.07, and \$548,428.03, 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 27.

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 Teachers' Pension and Annuity Fund (TPAF) 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

- The annual benefit under special retirement for new PERS 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, 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 1/60th from 1/55th, 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. 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 1/7th of the required amount, beginning in fiscal years 2012.

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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 7. 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 District has a liability of \$2,505,588 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 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 employers, actuarially determined. At June 30, 2022, the District’s proportion is 0.01660277770%, which is a decrease of 7.57% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$157,555. At December 31, 2022, the 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	\$ 18,084	\$ (15,948)
Changes of assumptions	7,763	(375,186)
Net difference between projected and actual earnings on pension plan investments	103,704	-
Changes in proportion	284,161	(248,325)
 Total	 \$ 413,712	 \$ (639,459)

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	\$ (206,345)
2025	(75,996)
2026	(5,340)
2027	62,419
2028	(485)
 Total	 \$ (225,747)

**CITY OF NORTHFIELD SCHOOL DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023
 (CONTINUED)**

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:

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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	\$ 3,004,714	\$ 2,505,588	\$ 2,081,284

Pension plan fiduciary net position.

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

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 8. 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		<u>34,343,494.00</u>
Total	\$	<u>34,343,494.00</u>

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 \$924,279 and revenue of \$924,279 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%

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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%

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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.

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	\$ 40,268,476.53	\$ 34,343,494.00	\$ 29,352,440.72

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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

NOTE 9. 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 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](#)

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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

TPAF/ABP	PERS	PFRS
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

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 was 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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>

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 \$309,930.00 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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:

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 10. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee and are capped based on the terms stated in the various contracts.

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

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities and is therefore not shown separately from the long-term liability balance of compensated absences.

NOTE 11. DEFERRED COMPENSATION

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

TSA Consulting Group

NOTE 12. 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 and surety bonds. During the fiscal year ended June 30, 2023 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Contributory Method.”

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

Fund	Receivable	Payable
General Fund	\$ 18,490.21	
School Aged Child Care		18,490.21
Total	\$ 18,490.21	18,490.21

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds. It is anticipated that all interfunds will be liquidated during the fiscal year. All governmental fund interfunds are eliminated in the governmental-wide statements, except for Due From Agency.

NOTE 14. ECONOMIC DEPENDENCY

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

NOTE 15 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the City of Northfield School District 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.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

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	\$	380,300.00
Budgeted Increase - FY2023		400.00
Excess Surplus Transfer by Board Resolution		18,700.00
Withdrawals:		
Per Approved Budget		-
Ending balance, June 30, 2023	\$	399,400.00

NOTE 16. FUND BALANCE APPROPRIATED

General Fund – Of the \$3,880,855.93 General Fund fund balance at June 30, 2023, \$206,880.02 is reserved for encumbrances; \$1,327,377.85 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$509,399.87 of the total reserve for excess surplus has been appropriated and also included as anticipated revenue for the year ending June 30, 2024); \$119,038.13 has been legally restricted and included as anticipated revenue for the year ending June 30, 2024; \$399,400 has been reserved in the Maintenance Reserve Account; \$1,337,809 has been reserved in the Capital Reserve Account; \$84,604.11 has been reserved for Payroll Liabilities; and \$716,251.64 is unreserved and undesignated.

NOTE 17. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), 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, 2023 is \$1,327,377.85, of which \$509,399.87 has been appropriated and included as anticipated revenue for the year ended June 30, 2024.

NOTE 18. LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

NOTE 19 – RIGHT TO USE ASSETS

The district has recorded right to use assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place to lease into service. The District has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right to Use Assets at their remaining liability payments.

**CITY OF NORTHFIELD SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023
(CONTINUED)**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Copiers	\$ 10,420.00	60,388.00	22,922.00	47,886.00
Right to use assets, net	\$ <u>10,420.00</u>	<u>60,388.00</u>	<u>22,922.00</u>	<u>47,886.00</u>

NOTE 20. SUBSEQUENT EVENTS

The District has evaluated events through November 29, 2023, the date on which the financial statements were available to be issued and no additional items were noted for disclosure.

Required Supplemental Information
Part II

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BUDGETARY COMPARISON SCHEDULES

The budgetary comparison schedules consist of the comparison of anticipated revenues and budgeted expenditures to actual results for the general and special revenue funds.

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CITY OF NORTHFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 10,404,413.00	-	10,404,413.00	10,404,413.00	-
Tuition	21,000.00	-	21,000.00	40,000.00	19,000.00
Interest Earned on Investments	1,200.00	-	1,200.00	13,954.73	12,754.73
Interest Earned on Maintenance Reserve Funds	400.00	-	400.00	400.00	-
Interest Earned on Capital Reserve Funds	809.00	-	809.00	809.00	-
Miscellaneous	45,000.00	-	45,000.00	78,347.09	33,347.09
Total - Local Sources	10,472,822.00	-	10,472,822.00	10,537,923.82	65,101.82
State Sources:					
Equalization Aid	4,374,195.00	-	4,374,195.00	4,374,195.00	-
Special Education Categorical Aid	666,852.00	-	666,852.00	666,852.00	-
Categorical Security Aid	114,731.00	-	114,731.00	114,731.00	-
Categorical Transportation Aid	59,085.00	-	59,085.00	59,085.00	-
Nonpublic Transportation Aid	-	-	-	14,726.00	14,726.00
Extraordinary Special Education Aid	50,000.00	-	50,000.00	130,516.00	80,516.00
Secure Child Bond Act	-	-	-	-	-
On-Behalf TPAF Pension Contributions (non-budgeted)	-	-	-	2,729,715.00	2,729,715.00
On-Behalf TPAF Post Retirement Medical (non-budgeted)	-	-	-	717,090.00	717,090.00
On-Behalf TPAF Long Term Disability (non-budgeted)	-	-	-	780.00	780.00
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	578,540.93	578,540.93
Total - State Sources	5,264,863.00	-	5,264,863.00	9,386,230.93	4,121,367.93
Federal Sources:					
Medicaid Aid Reimbursement	35,498.00	-	35,498.00	77,155.35	41,657.35
Medicaid Administrative Claiming (MAC)	-	-	-	409.47	409.47
Total - Federal Sources	35,498.00	-	35,498.00	77,564.82	42,066.82
Total Revenues	\$ 15,773,183.00	-	15,773,183.00	20,001,719.57	4,228,536.57

CITY OF NORTHFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool and Kindergarten	\$ 450,669.00	(52,000.00)	398,669.00	396,420.25	2,248.75
Grades 1-5	2,737,960.00	32,619.00	2,770,579.00	2,769,981.76	597.24
Grades 6-8	1,900,023.00	36,723.00	1,936,746.00	1,936,361.95	384.05
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000.00	(5,000.00)	-	-	-
Regular Programs - Undistributed Instruction:					
Other Purchased Services (400-500 series)	31,590.24	4,371.00	35,961.24	31,783.22	4,178.02
General Supplies	238,447.66	(15,548.00)	222,899.66	212,255.45	10,644.21
Textbooks	45,000.00	(33,885.00)	11,115.00	11,025.00	90.00
Other Objects	8,744.85	(200.00)	8,544.85	4,499.51	4,045.34
Total Regular Programs	5,417,434.75	(32,920.00)	5,384,514.75	5,362,327.14	22,187.61
Special Education - Multiple Disabilities					
Salaries of Teachers	340,041.00	63,276.00	403,317.00	401,156.50	2,160.50
Other Salaries for Instruction	482,157.00	(155,635.00)	326,522.00	310,773.31	15,748.69
Purchased Educational Services	-	63,609.00	63,609.00	63,608.50	0.50
General Supplies	7,103.72	1,800.00	8,903.72	8,252.45	651.27
Total Multiple Disabilities	829,301.72	(26,950.00)	802,351.72	783,790.76	18,560.96
Special Education - Instruction:					
Resource Room/Resource Center:					
Salaries of Teachers	1,241,712.00	2,589.00	1,244,301.00	1,232,981.42	11,319.58
Other Salaries for Instruction	242,752.00	(83,009.07)	159,742.93	92,150.13	67,592.80
General Supplies	7,285.93	500.00	7,785.93	7,447.46	338.47
Other Objects	-	-	-	-	-
Total Resource Room/Resource Center	1,491,749.93	(79,920.07)	1,411,829.86	1,332,579.01	79,250.85
Special Education - Preschool Disabilities					
Salaries of Teachers	123,239.00	(57,000.00)	66,239.00	57,116.00	9,123.00
Other Salaries for Instruction	83,698.00	(12,000.00)	71,698.00	44,281.23	27,416.77
General Supplies	1,200.00	1,500.00	2,700.00	2,298.43	401.57
Other Objects	200.00	-	200.00	-	200.00
Total Preschool Disabilities - Full Time	208,337.00	(67,500.00)	140,837.00	103,695.66	37,141.34
Total Special Education - Instruction	2,529,388.65	(174,370.07)	2,355,018.58	2,220,065.43	134,953.15

CITY OF NORTHFIELD SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Home Instruction					
Salaries of Teachers	20,000.00	-	20,000.00	7,789.18	12,210.82
Total Home Instruction	20,000.00	-	20,000.00	7,789.18	12,210.82
Basic Skills/ Remedial - Instruction					
Salaries of Teachers	264,754.00	(1,381.00)	263,373.00	252,843.81	10,529.19
Total Basic Skills/Remedial - Instruction	264,754.00	(1,381.00)	263,373.00	252,843.81	10,529.19
Bilingual Education - Instruction					
Salaries of Teachers	73,650.00	3,381.00	77,031.00	77,012.00	19.00
Total Bilingual Education - Instruction	73,650.00	3,381.00	77,031.00	77,012.00	19.00
School Sponsored Cocurricular Activities - Instruction:					
Salaries	43,884.00	580.00	44,464.00	44,025.75	438.25
Other Objects	4,100.00	(4,000.00)	100.00	-	100.00
Total School Sponsored Cocurricular Activities - Instruction	47,984.00	(3,420.00)	44,564.00	44,025.75	538.25
School Sponsored Athletics - Instructor					
Salaries	44,954.00	(580.00)	44,374.00	43,640.00	734.00
Purchased Services (300-500 Series)	7,061.00	4,000.00	11,061.00	10,739.00	322.00
Total School Sponsored Athletics - Instruction	52,015.00	3,420.00	55,435.00	54,379.00	1,056.00
Total Instruction	8,405,226.40	(205,290.07)	8,199,936.33	8,018,442.31	181,494.02
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs within the State - Special					
Tuition to CSSD & Regional Day Schools	425,986.00	(118,720.00)	307,266.00	288,615.37	18,650.63
Tuition to Private Schools for the Disabled- Within State	66,301.55	94,720.00	161,021.55	116,908.86	44,112.69
Tuition - State Facilities	40,270.00	(1,108.01)	39,161.99	27,785.93	11,376.06
Tuition - Other	56,891.99	(33,391.99)	23,500.00	18,368.23	5,131.77
Total Undistributed Expenditures - Instructor	589,449.54	(58,500.00)	530,949.54	451,678.39	79,271.15

CITY OF NORTHFIELD SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Undistributed Expenditures - Health Services:					
Salaries	127,474.00	5,006.00	132,480.00	132,477.94	2.06
Supplies and Materials	3,089.25	(672.00)	2,417.25	2,339.01	78.24
Total Undistributed Expenditures - Health Services	130,563.25	4,334.00	134,897.25	134,816.95	80.30
Other Support Services - Students - Related Services					
Salaries	253,874.00	(25,078.00)	228,796.00	220,306.75	8,489.25
Purchased Professional Educational Services	51,301.35	88,250.00	139,551.35	128,496.35	11,055.00
Supplies and Materials	4,000.00	-	4,000.00	3,832.31	167.69
Total Support Services - Students - Related Service	309,175.35	63,172.00	372,347.35	352,635.41	19,711.94
Undistributed Expenditures - Guidance					
Salaries	166,048.00	1,930.00	167,978.00	167,978.00	-
Supplies and Materials	2,000.00	-	2,000.00	1,143.39	856.61
Total Undistributed Services - Guidance	168,048.00	1,930.00	169,978.00	169,121.39	856.61
Undistributed Expenditures - Other Support Services - Students - Special (CHILD STUDY TEAM)					
Salaries of Other Professional Staff	299,042.00	(77,956.00)	221,086.00	218,068.58	3,017.42
Salaries of Secretarial and Clerical Assistants	60,762.00	-	60,762.00	59,146.71	1,615.29
Purchased Professional - Educational Services	1,500.00	44,000.00	45,500.00	26,362.83	19,137.17
Other Purchased Professional and Technical Services	22,750.00	(3,930.00)	18,820.00	18,503.05	316.95
Other Purchased Services (400-500 Services)	100.00	-	100.00	15.40	84.60
Supplies and Materials	4,788.04	1,200.00	5,988.04	5,642.90	345.14
Total Undistributed Expenditures - Other Support Services - Students - Special	388,942.04	(36,686.00)	352,256.04	327,739.47	24,516.57

CITY OF NORTHFIELD SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Undistributed Expenditures - Improvement of Instructional Services					
Salaries	103,408.00	-	103,408.00	102,895.72	512.28
Supplies and Materials	150.00	-	150.00	-	150.00
Other Objects	1,200.00	-	1,200.00	895.00	305.00
Total Undistributed Expenditures - Improvement of Instructional Services	104,758.00	-	104,758.00	103,790.72	967.28
Undistributed Expenditures - Educational Media Services/School Libran					
Salaries	109,681.00	(3,748.00)	105,933.00	99,937.96	5,995.04
Salaries of Technology Coordinators	46,333.00	448.00	46,781.00	46,780.08	0.92
Purchased Professional and Technical Service	1,800.00	-	1,800.00	-	1,800.00
Supplies and Materials	30,000.00	7,100.00	37,100.00	35,764.00	1,336.00
Other Objects	49,000.00	(7,100.00)	41,900.00	40,484.73	1,415.27
Total Undistributed Expenditures - Educational Media Services/School Libran	236,814.00	(3,300.00)	233,514.00	222,966.77	10,547.23
Undistributed Expenditures - Instructional Staff Training Services					
Other Objects	100.00	-	100.00	-	100.00
Total Undistributed Expenditures - Instructional Staff Training Services	100.00	-	100.00	-	100.00
Undistributed Expenditures - Central Services					
Salaries	306,785.00	-	306,785.00	306,331.05	453.95
Purchased Professional Services	500.00	600.00	1,100.00	1,100.00	-
Purchased Technical Services	10,000.00	775.00	10,775.00	9,772.32	1,002.68
Supplies and Materials	2,555.85	8,125.00	10,680.85	5,554.41	5,126.44
Miscellaneous Expenditures	2,000.00	-	2,000.00	1,835.00	165.00
Total Undistributed Expenditures - Central Services	321,840.85	9,500.00	331,340.85	324,592.78	6,748.07
Undistributed Expenditures - Administration Information Technology					
Salaries	99,287.00	1,000.00	100,287.00	100,246.08	40.92
Purchased Professional Services	1,605.00	8,386.00	9,991.00	3,144.02	6,846.98
Supplies and Materials	10,110.98	11,314.00	21,424.98	10,315.74	11,109.24
Other Objects	61,526.00	5,800.00	67,326.00	66,417.61	908.39
Total Undistributed Expenditures - Administration Information Technology	172,529.98	26,500.00	199,029.98	180,123.45	18,905.53

CITY OF NORTHFIELD SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Undistributed Expenditures - Support Services - Gen. Admin.					
Salaries	213,428.00	15,477.00	228,905.00	228,903.12	1.88
Legal Services	77,648.75	(4,493.00)	73,155.75	31,736.75	41,419.00
Audit Fees	17,000.00	-	17,000.00	16,800.00	200.00
Other Purchased Prof. Services	15,062.70	5,361.00	20,423.70	20,423.55	0.15
Purchased Technical Services	9,000.00	-	9,000.00	8,993.15	6.85
Communications/Telephone	37,085.18	1,800.00	38,885.18	30,632.51	8,252.67
Miscellaneous Purchased Services (400-500 Series Other Than 530/585)	26,073.00	1,400.00	27,473.00	26,366.96	1,106.04
General Supplies	3,143.93	2,855.00	5,998.93	5,787.31	211.62
Miscellaneous Expenditures	5,200.00	(33.00)	5,167.00	4,804.00	363.00
BOE Membership Dues & Fees	8,500.00	133.00	8,633.00	8,632.45	0.55
Total Undistributed Expenditures - Support Services - Gen. Admin	412,141.56	22,500.00	434,641.56	383,079.80	51,561.76
Undistributed Expenditures - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals/Program Directors	245,460.00	-	245,460.00	244,637.12	822.88
Salaries of Secretarial and Clerical Assistants	125,219.00	22,097.00	147,316.00	146,540.38	775.62
Purchased Professional Services		17,000.00	17,000.00	16,153.83	846.17
Supplies and Materials	9,487.69	(1,097.00)	8,390.69	2,507.79	5,882.90
Other Objects	4,903.01	-	4,903.01	3,024.50	1,878.51
Total Undistributed Expenditures - Support Serv. - School Admin	385,069.70	38,000.00	423,069.70	412,863.62	10,206.08
Undistributed Expenditures - Required Maintenance for School Facilities					
Salaries	122,939.00	3,913.00	126,852.00	126,852.00	-
Maintenance Contracts	183,394.00	5,571.00	188,965.00	143,117.38	45,847.62
General Supplies	64,281.00	(10,000.00)	54,281.00	35,890.87	18,390.13
Total Undistributed Expenditures - Required Maintenance for School Facilities	370,614.00	(516.00)	370,098.00	305,860.25	64,237.75

CITY OF NORTHFIELD SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Undistributed Expenditures - Operation and Maintenance - Custodial Services:					
Salaries	319,504.00	(15,913.00)	303,591.00	303,185.20	405.80
Salaries of Non-Instructional Aides	21,870.00	(10,000.00)	11,870.00	7,285.23	4,584.77
Other Purchased Property Services	12,000.00	746.00	12,746.00	12,745.19	0.81
Insurance	57,000.00	(2,199.00)	54,801.00	54,386.00	415.00
Miscellaneous Purchased Services	3,500.00	1,453.00	4,953.00	4,952.50	0.50
General Supplies	40,000.00	(3,850.00)	36,150.00	29,288.54	6,861.46
Energy (Natural Gas)	101,062.72	(18,000.00)	83,062.72	82,781.87	280.85
Energy (Electricity)	270,000.00	(25,000.00)	245,000.00	235,883.67	9,116.33
Total Undistributed Exp - Operation and Maintenance - Custodial Services:	824,936.72	(72,763.00)	752,173.72	730,508.20	21,665.52
Undistributed Expenditures - Care and Upkeep of Grounds	35,752.00	(2,122.00)	33,630.00	23,810.52	9,819.48
Cleaning, Repair and Maintenance Services	35,752.00	(2,122.00)	33,630.00	23,810.52	9,819.48
Total Undistributed Expenditures - Care and Upkeep of Grounds	35,752.00	(2,122.00)	33,630.00	23,810.52	9,819.48
Undistributed Expenditures - Security	30,038.00	-	30,038.00	28,687.47	1,350.53
Salaries	30,038.00	-	30,038.00	28,687.47	1,350.53
Purchased Professional & Tech Services	-	52,122.00	52,122.00	52,121.25	0.75
Total Undistributed Expenditures - Security	30,038.00	52,122.00	82,160.00	80,808.72	1,351.28
Total Undistributed Expenditures - Operation and Maintenance of Plant Services	1,261,340.72	(23,279.00)	1,238,061.72	1,140,987.69	97,074.03
Undistributed Expenditures - Student Transportation Services	14,395.00	9,885.00	24,380.00	20,315.00	4,065.00
Contracted Services - (Other Than Between Home and School) - Vendor:	16,000.00	-	16,000.00	15,082.54	917.46
Contracted Services - (Between Home and School) - Joint Agreements	40,000.00	(39,881.00)	119.00	-	119.00
Contracted Services - (Sp Ed Students) - Vendors	209,406.19	-	209,406.19	192,709.27	16,696.92
Contracted Services - (Sp Ed Students) - Joint Agreements	45,000.00	-	45,000.00	33,629.36	11,370.64
Contracted Services - Aid in Lieu of Payments-Non Public School					
Total Undistributed Expenditures - Student Transportation Serv	324,801.19	(29,896.00)	294,905.19	261,736.17	33,169.02

CITY OF NORTHFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Unallocated Benefits:					
Social Security Contributions	170,000.00	21,485.00	191,485.00	188,991.42	2,493.58
Other Retirement Contributions - PERS	210,000.00	-	210,000.00	209,369.00	631.00
Other Retirement Contributions - Regular	32,000.00	2,614.00	34,614.00	34,613.88	0.12
Unemployment Compensation	42,000.00	3,259.00	45,259.00	45,156.72	102.28
Workmen's Compensation	77,500.00	-	77,500.00	73,417.00	4,083.00
Health Benefits	2,341,944.00	(291,002.00)	2,050,942.00	2,043,880.91	7,061.09
Tuition Reimbursement	39,483.78	(13,836.00)	25,647.78	25,075.28	572.50
Other Employee Benefits	100,400.00	17,706.00	118,106.00	115,692.01	2,413.99
Unused Sick Payment to Term/Ret Staff	40,000.00	7,348.00	47,348.00	47,348.00	-
Total Unallocated Benefits	3,053,327.78	(252,426.00)	2,800,901.78	2,783,544.22	17,357.56
On-Behalf TPAF Pension Contributions (Non-Budgeted)	-	-	-	2,729,715.00	(2,729,715.00)
On-Behalf TPAF Post Retirement Medical (Non-Budgeted)	-	-	-	717,090.00	(717,090.00)
On-Behalf TPAF Long Term Disability (non-budgeted)	-	-	-	780.00	(780.00)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	578,540.93	(578,540.93)
Total On-Behalf Contributions	-	-	-	4,026,125.93	(4,026,125.93)
Total Undistributed Expenditures	7,858,900.96	(238,151.00)	7,620,749.96	11,275,802.76	(3,655,052.80)
Total Current Expense	16,264,127.36	(443,441.07)	15,820,686.29	19,294,245.07	(3,473,558.78)
Capital Outlay:					
Undistributed Expenditures					
Instructional Equipment	7,403.34	-	7,403.34	7,403.34	-
Maintenance Equipment	-	115,637.00	115,637.00	93,451.63	22,185.37
Equipment - Technology	61,549.01	(34,505.00)	27,044.01	(40,758.00)	67,802.01
Non- Instructional Equipment	9,814.00	-	9,814.00	9,814.00	-
Construction Services	110,000.00	19,365.00	129,365.00	87,312.81	42,052.19
Total Equipment	188,766.35	100,497.00	289,263.35	157,223.78	132,039.57
Assets Acquired Under Capital Lease (non-budget)					
Undistributed Expenditures:					
Equipment:	-	-	-	-	-
Total Assets Acquired Under Capital Lease (non-budget)	-	-	-	-	-
Total Capital Outlay	188,766.35	100,497.00	289,263.35	157,223.78	132,039.57

CITY OF NORTHFIELD SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Transfers to Charter Schools	11,988.00	20,435.00	32,423.00	32,423.00	-
Total Expenditures	16,464,881.71	(322,509.07)	16,142,372.64	19,483,891.85	(3,341,519.21)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(691,698.71)	322,509.07	(369,189.64)	517,827.72	887,017.36
Other Financing Sources (Uses):					
Interest Deposit to Maintenance Reserve	(400.00)	(18,700.00)	(19,100.00)		19,100.00
Interest Deposit to Capital Reserve	(809.00)	(303,809.07)	(304,618.07)		304,618.07
Transfer to Maintenance Reserve			-		-
Transfer from Capital Reserve	110,000.00		110,000.00		(110,000.00)
Transfer to Preschool Aid	(67,475.00)		(67,475.00)	(67,475.00)	-
Transfer to Food Service Fund - Board Contribution	-		-		-
Assets acquired by Capital Lease					-
Total Other Financing Sources (Uses)	41,316.00	(322,509.07)	(281,193.07)	(67,475.00)	213,718.07
Fund Balances, July 1	2,238,880.58	-	2,337,988.58	3,430,503.21	-
Fund Balances, June 30	<u>1,588,497.87</u>	<u>-</u>	<u>1,687,605.87</u>	<u>3,880,855.93</u>	<u>1,100,735.43</u>
Reconciliation:					
Restricted Fund Balance:					
Capital Reserve				1,337,809.00	
Maintenance Reserve				399,400.00	
Payroll Liabilities				84,604.11	
Excess Surplus				509,399.87	
Designated for Subsequent Years Expenditures: Current Year				817,977.98	
Assigned Fund Balance:					
Designated for Subsequent Years Expenditures				119,038.13	
Reserve for Encumbrances				206,880.02	
Unassigned Fund Balance				<u>405,746.82</u>	
				<u>3,880,855.93</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				(499,336.10)	
Fund Balance Per Governmental Funds (GAAP)				<u>3,381,519.83</u>	

CITY OF NORTHFIELD SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers/Adjustments	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources	-	3,850.00	3,850.00	111,868.91	108,018.91
State Sources:	2,081,695.00	716,354.60	2,798,049.60	2,235,853.98	(562,195.62)
Federal Sources:	1,204,532.00	1,943,429.38	3,147,961.38	1,286,434.32	(1,861,527.06)
Total Revenues	3,286,227.00	2,663,633.98	5,949,860.98	3,634,157.21	(2,315,703.77)
EXPENDITURES:					
Instruction					
Salaries of Teachers	419,299.00	301,972.82	721,271.82	579,020.14	142,251.68
Other Salaries for Instructor	50,193.00	23.00	50,216.00	48,751.51	1,464.49
Purchased Prof. and Technical Services	75,000.00	136,763.00	211,763.00	91,753.53	120,009.47
Other Purchased Services	15,000.00	-	15,000.00	-	15,000.00
General Supplies	121,476.00	236,785.73	358,261.73	233,061.68	125,200.05
Tuition	200,859.00	(9,352.80)	191,506.20	191,506.20	-
Other Objects	10,000.00	50,777.80	60,777.80	55,842.75	4,935.05
Total Instruction	891,827.00	716,969.55	1,608,796.55	1,199,935.81	408,860.74
EXPENDITURES (CONTD):					
Support Services					
Program Administration - Salaries	9,126.00	205.84	9,331.84	9,331.84	-
Salaries of Other Professional Staff	22,280.00	79,842.83	102,122.83	43,077.26	59,045.57
Salaries of Supervisors of Instructor	4,035.00	252.32	4,287.32	4,287.32	-
Salaries of Secretarial and Clerical Assistants	11,227.00	5,946.01	17,173.01	17,172.20	0.81
Personal Services- Employee Benefits	101,135.00	89,508.00	190,643.00	179,715.86	10,927.14
Purchased Professional Education Services	-	-	-	-	-
Professional and Technical Services	57,073.00	142,627.00	199,700.00	105,346.42	94,353.58
Educational Services	1,744,320.00	147,004.20	1,891,324.20	1,692,364.62	198,959.58
Other Purchased Services	30,000.00	14,151.00	44,151.00	10,119.00	34,032.00
Travel	100,000.00	60,102.23	160,102.23	23,670.17	136,432.06
Supplies and Materials	-	-	-	47,381.73	(47,381.73)
Student Activities	55,000.00	-	55,000.00	-	55,000.00
Other Objects	2,134,196.00	539,639.43	2,673,835.43	2,132,466.42	541,369.01
Total Support Services					
Facilities acquisition and construction services:					
Building Construction Services	131,880.00	1,249,191.00	1,381,071.00	45,400.00	1,335,671.00
Capital Maintenance	-	44,064.00	44,064.00	44,064.00	-
Instructional Equipment	63,300.00	133,284.00	196,584.00	187,481.50	9,102.50
Non-Instructional Equipment	65,024.00	(19,514.00)	45,510.00	30,486.00	15,024.00
Total Facilities acquisition and construction services	260,204.00	1,407,025.00	1,667,229.00	307,431.50	1,359,797.50
Total expenditures	3,286,227.00	2,663,633.98	5,949,860.98	3,639,833.73	2,310,027.25
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(5,676.52)	(5,676.52)

CITY OF NORTHFIELD SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2023

Note A - Explanation of Difference between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

		General Fund	Special Revenue
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	C-1; C-2	20,001,719.57	3,634,157.21
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			353,661.19
Current year			(93,179.60)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		445,951.00	256,364.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(499,336.10)	(208,169.50)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	B-2	19,948,334.47	3,942,833.30
 Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	C-1; C-2	19,483,891.85	3,639,833.73
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is place for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			
Prior Year			353,661.19
Current year			(93,179.60)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	B-2	19,483,891.85	3,900,315.32

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Required Supplemental Information
Part III

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CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.0166027770%	0.01796252830%	0.01623468240%	0.01569128680%	0.016041088%	0.0154869444%	0.0166716996%	0.0157709648%	0.0163436672%	0.0152836260%
District's proportionate of the net pension liability (asset)	\$ 2,505,588.00	1,923,242.00	2,929,219.00	2,827,332.00	3,158,410.00	3,605,113.00	4,937,679.29	3,540,265.57	3,059,985.24	2,921,004.60
District's covered payroll	1,146,513	1,230,365	1,190,021.00	1,165,038.00	1,153,239.00	1,110,770.00	1,058,262.00	1,094,923.00	1,104,303.00	Not available
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	218.54%	156.31%	246.15%	242.68%	273.87%	324.56%	466.56%	323.33%	277.10%	
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

Note: This schedule is required by GASB 68 to be show information for a 10 year period.

CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of District Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ 209,369.00	190,127.00	196,501.00	152,630.00	159,557.00	143,470.00	148,109.00	135,588.00	134,735.00	124,089.00
Contributions in relation to the contractually required contribution	209,369.00	190,127.00	196,501.00	152,630.00	159,557.00	143,470.00	148,109.00	135,588.00	134,735.00	124,089.00
Contribution deficiency (excess)	\$ -	-	\$ -	\$ -	\$ -	-	-	-	-	-
District's covered-employee payroll	\$ 1,146,513.00	1,230,365.00	1,190,021.00	1,165,038.00	1,153,239.00	1,110,770.00	1,058,262.00	1,094,923.00	1,104,303.00	Not available
Contributions as a percentage of covered-employee payroll	18.26%	15.45%	16.51%	13.10%	13.84%	12.92%	14.00%	12.38%	12.20%	#VALUE!

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.

CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
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	34,343,494.00	32,208,146.00	42,981,213.00	37,883,874.00	40,576,219.00	41,148,480.00	46,781,937.00	39,649,051.00	34,084,659.00	31,883,506.00
Total	<u>\$ 34,343,494.00</u>	<u>\$ 32,208,146.00</u>	<u>42,981,213.00</u>	<u>37,883,874.00</u>	<u>\$ 40,576,219.00</u>	<u>41,148,480.00</u>	<u>46,781,937.00</u>	<u>39,649,051.00</u>	<u>34,084,659.00</u>	<u>31,883,506.00</u>
District's covered payroll	7,890,173	7,688,597	7,509,594	7,372,584.00	7,215,992.00	7,014,131.00	6,632,902.54	6,381,729.39	6,158,582.81	5,887,285.89
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.

CITY OF NORTHFIELD 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 Seven Fiscal Years

	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	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	35,147,674	41,836,864	46,860,687.00	29,182,102.00	31,124,777.00	36,878,476.00	39,638,026.00
Total	\$ 35,147,674.00	41,836,864.00	46,860,687.00	29,182,102.00	31,124,777.00	36,878,476.00	39,638,026.00
District's covered payroll	9,036,686.00	8,918,962.00	8,699,615.00	8,537,622.00	8,369,231.00	8,124,901.00	7,691,164.54
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%	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%	0.00%
State's proportionate share of OPEB associated with the District:							
Service Cost	1,785,744.00	2,032,844.00					
Interest Cost	931,452.00	1,085,292.00					
Change in Benefit Terms	-	(44,530.00)					
Differences between Expected & Actual	915,326.00	(7,311,544.00)					
Changes in Assumptions	(9,428,679.00)	41,275.00					
Member Contributions	29,598.00	27,746.00					
Benefit Payments	(922,631.00)	(854,906.00)					
Change in Total OPEB Liability	(6,689,190.00)	(5,023,823.00)					
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	41,836,864.00	46,860,687.00					
Ending Balance	\$ 35,147,674.00	\$ 41,836,864.00					
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	388.94%	469.08%	0.00%				

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 seven years. Additional years will be presented as they become available.

Other Supplementary Information

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SPECIAL REVENUE FUND

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

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CITY OF NORTFIELD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
For the Fiscal Year Ended June 30, 2023

	Title I	Title II A	IDEA Basic	IDEA Preschool	Title III	Title IV	ARP Learning Accelerator	ARP ESSER	ARP Summer Enrichment	ESSER II	Learning Acceleration
REVENUES:											
Federal Source	\$ 243,142.00	32,843.36	242,449.00	12,515.00	3,684.51	19,279.92	1,700.53	288,457.35	12,281.88	359,106.65	35,399.65
State Sources											
Local Sources											
Total revenues	243,142.00	32,843.36	242,449.00	12,515.00	3,684.51	19,279.92	1,700.53	288,457.35	12,281.88	359,106.65	35,399.65
EXPENDITURES											
Instruction:											
Salaries of Teachers	225,300.00		32,300.80	11,000.00		6,324.00		30,388.00	2,258.32	119,048.52	25,441.50
Other Salaries for Instructor			191,596.20								
Other Salaries for Instructional Support			10,000.00			1,500.00	850.53	44,443.00	4,400.00		
Purchased Prof. and Technical Service											
Other Purchased Service	607.00		158.00	673.00	1,519.86	10,971.92	750.00	90,260.34	1,253.56	76,446.88	8,011.15
General Supplies											
Other Objects											
Total instruction	225,907.00	-	233,955.00	11,673.00	1,519.86	18,795.92	1,700.53	165,091.34	7,911.88	242,291.20	33,452.65
Support services											
Program Administration - Salaries		8,817.54	5,586.00					8,840.01		12,027.00	
Salaries of Support Staff											
Salaries of Superintendents											
Salaries of Secretarial and Clerical Assistant	17,235.00	598.00	2,898.00	842.00	2,000.00	484.00		2,786.00	4,370.00	10,353.00	1,947.00
Professional Services- Employee Benefit		14,524.02						35,000.00		41,250.00	
Professional and Technical Service:											
Instructional Support		7,519.00									
Other Purchased Service		1,384.80			164.65			7,180.00		13,140.45	
Supplies and Material											
Other Objects											
Student Activities											
Total support services	17,235.00	32,843.36	8,484.00	842.00	2,164.65	484.00	-	53,006.01	4,370.00	76,770.45	1,947.00
Facilities Acquisition and Construction Services:											
Building Construction Services								45,400.00			
Capital Maintenance								24,160.00		9,559.00	
Instructional Equipment										30,486.00	
Non-Instructional Equipment											
Total Facilities Acquisition and Construction Services:	-	-	-	-	-	-	-	69,556.00	-	40,045.00	-
Total expenditures	243,142.00	32,843.36	242,449.00	12,515.00	3,684.51	19,279.92	1,700.53	288,457.35	12,281.88	359,106.65	35,399.65
Excess (Deficiency) of Revenues Over (Under) Expenditure	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1											
Prior Period Adjustment											
Fund Balance, July 1 (Restated)											
Fund Balance, June 30											
\$	-	-	-	-	-	-	-	-	-	-	-

**Special Revenue Fund
Combining Schedule of Revenue and Expenditures
For the Fiscal Year Ended June 30, 2023**

	ARP Beyond School Day	ARP Mental Health Grant	Mental Health Grant	Total Federal	Preschool	SDA Emergent Needs	Total State	Green Committee Grant	Student Activity Fund	Local Projects	Total
REVENUES:											
Federal Sources	11,067.00	7,122.40	17,385.07	1,286,434.32	2,191,789.98	44,064.00	2,235,853.98	2,888.70	41,705.21	44,393.91	1,286,434.32
State Sources	-	-	-	161,636.20	67,475.00	-	67,475.00	-	-	-	2,235,853.98
Local Sources	-	-	-	61,295.53	30,460.00	-	30,460.00	-	-	-	111,868.91
Total revenues	11,067.00	7,122.40	17,385.07	1,286,434.32	2,259,264.98	44,064.00	2,303,326.98	2,888.70	41,705.21	44,393.91	3,634,157.21
EXPENDITURES											
Instruction:											
Salaries of Teachers	11,067.00	-	-	463,128.14	115,892.00	-	115,892.00	-	-	-	579,020.14
Other Salaries for Instructor	-	-	-	48,751.51	48,751.51	-	48,751.51	-	-	-	48,751.51
Salaries of Support Personnel	-	-	-	138,202.86	138,202.86	-	138,202.86	-	-	-	138,202.86
Salaries of Secretarial and Clerical Assistant	-	-	-	17,172.20	17,172.20	-	17,172.20	-	-	-	17,172.20
Personal Services- Employee Benefit	-	7,122.40	5,450.00	41,513.00	138,202.86	-	138,202.86	-	-	-	179,715.86
Professional and Technical Service:	-	-	-	105,346.42	1,692,361.62	-	1,692,361.62	-	-	-	1,692,361.62
Other Purchased Service:	-	-	-	7,519.00	2,600.00	-	2,600.00	-	-	-	10,119.00
Supplies and Material:	-	-	-	21,869.90	1,800.27	-	1,800.27	-	-	-	23,670.17
Other Objects	-	-	-	-	-	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-	-	-	47,381.73	47,381.73	47,381.73
Total instruction	11,067.00	7,122.40	5,450.00	211,518.87	1,873,565.82	-	1,873,565.82	-	47,381.73	47,381.73	2,132,466.42
Support services											
Program Administration - Salaries	-	-	-	35,270.55	9,331.84	-	9,331.84	-	-	-	9,331.84
Salaries of Support Personnel	-	-	-	4,292.32	4,292.32	-	4,292.32	-	-	-	4,292.32
Salaries of Secretarial and Clerical Assistant	-	-	-	17,172.20	17,172.20	-	17,172.20	-	-	-	17,172.20
Personal Services- Employee Benefit	-	-	-	138,202.86	138,202.86	-	138,202.86	-	-	-	138,202.86
Professional and Technical Service:	-	-	-	1,692,361.62	1,692,361.62	-	1,692,361.62	-	-	-	1,692,361.62
Other Purchased Service:	-	-	-	2,600.00	2,600.00	-	2,600.00	-	-	-	2,600.00
Supplies and Material:	-	-	-	1,800.27	1,800.27	-	1,800.27	-	-	-	1,800.27
Other Objects	-	-	-	-	-	-	-	-	-	-	-
Total support services	-	7,122.40	5,450.00	211,518.87	1,873,565.82	-	1,873,565.82	-	47,381.73	47,381.73	2,132,466.42
Facilities Acquisition and Construction Services:											
Building Construction Services	-	-	-	45,400.00	-	-	-	-	-	-	45,400.00
Capital Maintenance	-	-	6,388.00	40,108.00	147,373.50	44,064.00	147,373.50	-	-	-	44,064.00
Instructional Equipment	-	-	-	30,486.00	-	-	-	-	-	-	30,486.00
Non-Instructional Equipment	-	-	-	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction Services:	-	-	6,388.00	115,994.00	147,373.50	44,064.00	191,437.50	-	-	-	307,431.50
Total expenditures	11,067.00	7,122.40	17,385.07	1,286,434.32	2,259,264.98	44,064.00	2,303,326.98	2,888.70	47,381.73	50,070.43	3,639,637.73
Excess (Deficiency) of Revenues Over (Under) Expenditure	-	-	-	-	-	-	-	-	(6,676.52)	(6,676.52)	(5,676.52)
Fund Balance, July 1	-	-	-	-	-	-	-	-	20,650.42	20,650.42	20,650.42
Prior Period Adjustment	-	-	-	-	-	-	-	-	20,650.42	20,650.42	20,650.42
Fund Balance, July 1 (Restated)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	-	-	-	-	-	-	-	-	14,973.90	14,973.90	14,973.90

CITY OF NORTHFIELD SCHOOL DISTRICT
Special Revenue Fund
Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2023

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 116,932.00	115,892.00	1,040.00
Other Salaries for Instruction	50,216.00	48,751.51	1,464.49
Purchased Prof. and Technical Services	74,163.00	30,460.00	43,703.00
Other Purchased Services	15,000.00	-	15,000.00
General Supplies	82,687.40	36,863.90	45,823.50
Other Objects	10,000.00	6,358.25	3,641.75
Total Instruction	<u>348,998.40</u>	<u>238,325.66</u>	<u>110,672.74</u>
Support Services:			
Salaries of Program Directors	9,331.84	9,331.84	-
Salaries of Other Professional Staff	15,875.83	7,806.71	8,069.12
Salaries of Supervisors of Instruction	4,287.32	4,287.32	-
Salaries of Secretarial and Clerical Assistants	17,173.01	17,172.20	0.81
Purchased Technical Services		-	-
Educational Services	1,891,324.20	1,692,364.62	198,959.58
General Supplies			-
Personal Services - Employee Benefits	138,203.00	138,202.86	0.14
Purchased Professional Educational Services	10,000.00	-	10,000.00
Travel		-	-
Other Purchases Services	30,000.00	2,600.00	27,400.00
Supplies	80,000.00	1,800.27	78,199.73
Other Objects	55,000.00	-	55,000.00
Total Support Services	<u>2,251,195.20</u>	<u>1,873,565.82</u>	<u>377,629.38</u>
Facilities Acquisition and Construction Services			
Instructional Equipment	148,636.00	147,373.50	1,262.50
Non-Instructional Equipment	5,024.00	-	5,024.00
Total Facilities Acquisition and Construction Ser.	<u>153,660.00</u>	<u>147,373.50</u>	<u>6,286.50</u>
Total Expenditures	<u>\$ 2,753,853.60</u>	<u>\$ 2,259,264.98</u>	<u>\$ 494,588.62</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2022-23 Preschool Aid Allocation	\$ 2,081,695.00
Adjustments	-
Add: Actual ECPA Carryover June 30, 2022	214,435.96
Add: Budgeted Transfer from the General Fund	67,475.00
Total Preschool Education Aid Funds Available for 2022-23 Budget	<u>2,363,605.96</u>
Less: 2022-23 Budgeted Preschool Education Aid	(2,753,853.60)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	<u>(390,247.64)</u>
Add: June 30, 2023 Unexpended Preschool Education Aid	494,588.62
2022-23 Actual Carryover - Preschool Education Aid	<u>\$ 104,340.98</u>
2022-23 Preschool Education Aid Carryover Budgeted for 2022-23	<u>\$ 214,435.96</u>

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PROPRIETARY FUNDS

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CITY OF NORTHFIELD SCHOOL DISTRICT
Enterprise Funds
Combining Balance Sheet
June 30, 2023

	Business Type Activity		Total
	Food Service	School Aged Child Care	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$ 217,949.25	217,687.47	435,636.72
Accounts Receivable:			
State	415.15		415.15
Federal	8,491.26		8,491.26
Other			-
Interfund Receivable			-
Prepaid expenses			-
Inventories	15,423.36		15,423.36
			-
Total Current Assets	<u>242,279.02</u>	<u>217,687.47</u>	<u>459,966.49</u>
Fixed Assets:			
Furniture, Machinery and Equipment	201,009.23	126,982.15	327,991.38
Accumulated depreciation	(168,316.00)	(87,995.00)	(256,311.00)
			-
Total Fixed Assets	<u>32,693.23</u>	<u>38,987.15</u>	<u>71,680.38</u>
Total assets	<u>274,972.25</u>	<u>256,674.62</u>	<u>531,646.87</u>
LIABILITIES:			
Current liabilities:			
Accounts payable	21,013.82		21,013.82
Unearned Revenue		119,312.05	119,312.05
Interfunds Payable		18,490.21	18,490.21
Total current liabilities	<u>21,013.82</u>	<u>137,802.26</u>	<u>158,816.08</u>
NET ASSETS			
Investment in capital assets, net of related debt	32,693.23	38,987.15	71,680.38
Unreserved Net Assets	221,265.20	79,885.21	301,150.41
			-
Total net assets	<u>253,958.43</u>	<u>118,872.36</u>	<u>372,830.79</u>
Total liabilities and net assets	<u>\$ 274,972.25</u>	<u>256,674.62</u>	<u>531,646.87</u>

CITY OF NORTHFIELD SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Revenues, Expenses
and Changes in Retained Earnings/Fund Balance
For the Fiscal Year ended June 30, 2023

	Business Type Activity		Total
	Food Service	School Aged Child Care	
OPERATING REVENUES:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 174,620.90		174,620.90
Daily Sales - Non-Reimbursable Programs	52,075.53		52,075.53
Program Revenue		304,440.10	304,440.10
Total Operating Revenues	226,696.43	304,440.10	531,136.53
OPERATING EXPENSES:			
Instructor Costs		243,184.96	243,184.96
Cost of Sales - Reimbursable Programs	138,474.07		138,474.07
Cost of Sales - Non- Reimbursable Programs	18,755.63		18,755.63
Payroll	155,358.98		155,358.98
General Supplies	5,352.54	7,736.08	13,088.62
Depreciation	2,560.00	6,844.00	9,404.00
Management Fee	35,966.19		35,966.19
Program Costs		26,278.55	26,278.55
Miscellaneous	10,592.22	10,944.18	21,536.40
Total Operating Expenses	367,059.63	294,987.77	662,047.40
Operating income (loss)	(140,363.20)	9,452.33	(130,910.87)
NONOPERATING REVENUES:			
State sources:			
State School Lunch Program	4,303.47		4,303.47
State School Breakfast Program	1,491.10		1,491.10
Federal sources:			
National School Lunch Program	159,070.32		159,070.32
National School Breakfast Program	16,772.53		16,772.53
Food Distribution Program	37,433.13		37,433.13
Interest Revenues	946.17	812.61	1,758.78
Total Nonoperating Revenues	220,016.72	812.61	220,829.33
Net Income (Loss)	79,653.52	10,264.94	89,918.46
Operating Transfer		-	-
Disposal of Fixed Assets	-		-
Net Assets - July 1	174,304.91	108,607.42	282,912.33
Net Assets - June 30	\$ 253,958.43	118,872.36	372,830.79

CITY OF NORTHFIELD SCHOOL DISTRICT
Combining Statement of Cash Flows
Enterprise Funds
For the Fiscal Year ended June 30, 2023

	Business Type Activities		Total
	Food Service	School Aged Child Care	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 188,494.50	335,458.87	523,953.37
Cash payments to employees for services	(155,358.98)	(243,184.96)	(398,543.94)
Cash payments to suppliers for goods and services	(174,486.53)	(44,958.81)	(219,445.34)
Net cash provided (used) by operating activities	<u>(141,351.01)</u>	<u>47,315.10</u>	<u>(94,035.91)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Cash received from state and federal reimbursements	252,508.87		252,508.87
Purchase of capital assets	(20,046.26)	(21,146.03)	(41,192.29)
Operating subsidies and transfers to other funds			-
Interfund loans	614.00	5,114.23	5,728.23
Net cash provided by noncapital financing activities	<u>233,076.61</u>	<u>(16,031.80)</u>	<u>217,044.81</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	946.17	812.61	1,758.78
Net cash provided by investing activities	<u>946.17</u>	<u>812.61</u>	<u>1,758.78</u>
Net Increase in Cash and Cash Equivalents	92,671.77	32,095.91	124,767.68
Cash and Cash Equivalents, July 1	<u>125,277.48</u>	<u>185,591.56</u>	<u>310,869.04</u>
Cash and Cash Equivalents, June 30	<u>217,949.25</u>	<u>217,687.47</u>	<u>435,636.72</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)			
by Operating Activities:			
Operating Income (Loss)	(140,363.20)	9,452.33	(130,910.87)
Adjustments to Reconcile Operating Income (Loss) to Net Cash provided by (used for) Operating Activities:			-
Depreciation	2,560.00	6,844.00	9,404.00
Change in assets and liabilities:			-
(Increase) in accounts receivable	(37,692.32)	-	(37,692.32)
Food Distribution Program	37,433.13	-	37,433.13
(Increase) in inventory	(7,578.36)	-	(7,578.36)
Decrease in prepaid expenses	9,814.00	-	9,814.00
(Decrease) in accounts payable	(5,014.65)	-	(5,014.65)
(Decrease) Increase in unearned revenue	(509.61)	31,018.77	30,509.16
Net Cash Provided by (Used for) Operating Activities	<u>\$ (141,351.01)</u>	<u>47,315.10</u>	<u>(94,035.91)</u>

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LONG-TERM DEBT

The long-term debt section consists of the schedules of obligations under capital leases.

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CITY OF NORTHFIELD SCHOOL DISTRICT
 Long-Term Debt
 Schedule of General Serial Bonds
 For the Fiscal Year Ended June 30, 2023

I-1

Improvement Description	Date of Issue	Amount of Original Issue	Maturities of Bonds Outstanding June 30, 2018			Interest Rate	Balance June 30, 2022	Increased	Decreased	Balance June 30, 2023
			Date	Amount	Amount					
School Refunding Bonds	7/22/2015	\$ 5,678,000	8/1/2023	550,000	550,000	2,198,000.00	-	575,000.00	1,623,000.00	
			8/1/2024	550,000	550,000					
			8/1/2025	523,000	523,000					
						2,198,000.00	-	575,000.00	1,623,000.00	
						2,198,000.00	-	575,000.00	1,623,000.00	

Total Bond Issue

CITY OF NORTHFIELD SCHOOL DISTRICT
Long-Term Debt
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 501,433.00		501,433.00	501,433.00	-
State Sources:					
Debt Service Aid Type II	118,189.00		118,189.00	118,189.00	-
Miscellaneous	-		-	-	-
Total - State Sources	<u>118,189.00</u>		<u>118,189.00</u>	<u>118,189.00</u>	<u>-</u>
Total Revenues	<u>619,622.00</u>		<u>619,622.00</u>	<u>619,622.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	44,622.00		44,622.00	44,621.88	0.12
Redemption of Principal	575,000.00		575,000.00	575,000.00	-
Total Regular Debt Service	<u>619,622.00</u>		<u>619,622.00</u>	<u>619,621.88</u>	<u>0.12</u>
Total Expenditures	<u>619,622.00</u>		<u>619,622.00</u>	<u>619,621.88</u>	<u>0.12</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>		<u>-</u>	<u>0.12</u>	<u>0.12</u>
Other Financing Sources (Uses):					
Operating Transfers In:					
Unexpended balances on capital projects					
Total Other Financing Sources (Uses):	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>0.14</u>		<u>0.14</u>	<u>0.12</u>	<u>0.12</u>
Fund Balance, July 1	0.14		0.14	0.88	0.74
Fund Balance, June 30	<u>0.14</u>		<u>0.14</u>	<u>1.00</u>	<u>0.86</u>

Statistical Section

Governmental Accounting Standards Board (GASB) requires 10 years of statistical information to be included in the ACFR.

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CITY OF NORTFIELD SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
Unaudited

	For the Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Invested in capital assets, net of related debi	8,081,963.52	11,355,552.32	10,647,820.81	10,893,968.48	11,196,959.51	11,159,776.78	10,975,609.34	10,813,936.34	10,704,264.34	10,914,035.34
Restricted	1,374,107.92	(366,124.07)	2,672,501.91	2,233,430.20	453,469.20	514,073.16	471,683.36	338,795.43	509,400.75	817,978.98
Unrestricted	(534,864.29)	(3,333,650.18)	(3,717,547.06)	(3,607,479.44)	(2,507,802.42)	(2,566,125.24)	(2,651,532.76)	(1,733,291.15)	(1,156,772.92)	(690,040.91)
Total governmental activities net position	8,921,207.15	7,655,778.07	9,602,775.66	9,519,919.24	9,142,626.29	9,107,724.71	8,795,759.94	9,419,440.62	10,056,892.17	11,041,973.41
Business-type activities										
Invested in capital assets, net of related debi	70,189.00	61,521.00	59,322.00	49,037.00	38,752.00	48,109.78	38,566.78	29,023.78	35,378.90	71,680.38
Unrestricted	73,150.73	46,443.48	114,078.59	177,013.04	194,684.18	208,172.30	199,716.38	112,083.39	247,533.43	301,150.41
Total business-type activities net position	143,339.73	107,964.48	173,400.59	226,050.04	233,436.18	256,282.08	238,283.16	141,107.17	282,912.33	372,830.79
District-wide										
Invested in capital assets, net of related debi	8,152,152.52	11,417,073.32	10,707,142.81	10,943,005.48	11,235,711.51	11,207,886.56	11,014,176.12	10,842,960.12	10,739,643.24	10,985,715.72
Restricted	1,374,107.92	(366,124.07)	2,672,501.91	2,233,430.20	453,469.20	514,073.16	471,683.36	338,795.43	509,400.75	817,978.98
Unrestricted	(461,713.56)	(3,287,206.70)	(3,603,468.47)	(3,430,466.40)	(2,313,118.24)	(2,357,952.94)	(2,451,816.38)	(1,621,207.76)	(909,239.49)	(388,890.50)
Total district net position	9,064,546.88	7,763,742.55	9,776,176.25	9,745,969.28	9,376,062.47	9,364,006.79	9,034,043.10	9,560,547.79	10,339,804.50	11,414,804.20

* Net position was restated as of June 30, 2014 as required by implementation of GASB 68

Source: ACFR Schedule A-1

CITY OF NORTHFIELD SCHOOL DISTRICT
Changes in Net Position, Last Ten Fiscal Years
Unaudited

	For the Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction	6,806,412.90	8,099,518.04	8,871,544.89	9,781,714.41	9,119,311.44	9,434,680.85	8,814,336.97	8,889,851.80	8,343,745.60	7,567,364.08
Regular	2,111,729.94	2,672,855.57	2,959,332.96	3,395,968.26	4,434,405.05	4,541,789.67	5,323,353.19	5,183,865.30	5,037,831.46	4,842,528.89
Special education	51,827.86	56,065.62	55,843.11	51,816.38	-	-	-	-	-	-
Other special education	424,584.59	358,555.36	382,450.27	391,831.06	903,701.77	830,121.69	537,712.27	462,549.27	620,017.98	617,421.84
Other instruction										
Nonpublic School Programs										
Support Services:										
Tuition	242,849.50	244,790.00	167,532.17	131,929.60	213,782.59	259,812.39	401,553.89	247,602.52	354,108.38	451,678.39
Student & Instruction Related Services	1,534,038.05	1,798,907.57	1,833,874.91	1,963,855.05	2,169,636.83	2,669,964.79	3,687,174.19	4,425,889.27	5,436,520.49	5,055,681.63
General Administrative Services	753,845.69	585,174.45	739,548.54	703,758.87	625,016.73	491,497.71	515,801.82	480,816.61	344,546.78	489,536.93
School Administrative Services	482,010.13	541,167.04	590,271.23	610,561.08	570,676.95	499,637.37	452,645.91	452,583.67	332,725.79	527,597.81
Plant Operations	1,095,478.20	1,051,986.70	1,081,809.56	994,505.37	479,992.46	416,376.49	395,216.23	392,034.62	288,041.59	414,796.47
Pupil Transportation	217,772.02	231,823.08	211,301.26	207,078.22	292,676.49	215,198.87	215,665.65	214,908.88	151,290.49	229,974.91
Central Services	255,831.00	282,203.10	286,353.08	273,670.18	-	-	-	-	-	-
Administrative Technology	165,240.87	152,395.68	173,661.63	172,796.00	1,677,472.31	1,312,099.48	1,040,845.81	981,782.43	1,135,900.95	1,140,987.69
Unallocated benefits	-	-	-	16,481.00	282,267.11	226,538.76	217,993.32	139,333.20	236,976.11	32,423.00
Capital Outlay	165,974.84	95,805.09	134,994.57	123,720.75	107,982.60	93,730.48	72,741.67	65,606.60	52,856.26	40,548.96
Interest on Long-Term Debt	510,705.00	504,855.00	497,241.00	499,562.00	-	-	-	-	-	-
Unallocated Depreciation and Amortization										
Total governmental activities expenses	14,818,310.59	16,676,102.30	17,985,759.18	19,686,902.52	20,876,922.33	20,991,448.55	21,675,040.92	21,936,824.17	22,334,561.88	21,672,276.57
Business-type activities:										
Food Service	343,644.07	341,591.65	337,062.88	326,263.33	333,682.79	321,859.10	267,514.16	201,280.23	369,739.78	367,059.63
Child Care	203,548.05	199,367.33	171,827.48	204,149.59	195,831.36	218,758.90	220,924.34	133,344.20	237,835.51	294,987.77
Total business-type activities expense	547,192.12	540,958.98	508,890.36	530,412.92	529,514.15	540,618.00	488,438.50	334,624.43	607,575.29	662,047.40
Total district expenses	15,365,502.71	17,217,061.28	18,494,649.54	20,217,315.44	21,406,436.48	21,532,066.55	22,163,479.42	22,271,448.60	22,942,137.17	22,334,323.97

CITY OF NORTHFIELD SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited

	For the Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund	1,087,697.20	1,314,041.89	1,753,962.10	1,810,900.04	1,687,232.95	1,783,828.93	1,853,407.16	2,094,785.12	2,372,878.04	3,064,586.85
Restricted										
Committed										
Assigned	260,553.43	118,935.34	2,242.07	63,477.45	5,047.91	85,613.54	87,860.80	754,714.64	310,395.47	325,918.15
Unassigned	(67,882.63)	(116,264.31)	(108,584.82)	(107,725.20)	(103,245.87)	(104,608.23)	(14,506.85)	(401,561.34)	219,088.13	(93,589.28)
Reserved										
Unreserved										
Total general fund	<u>1,280,368.00</u>	<u>1,316,712.92</u>	<u>1,647,619.35</u>	<u>1,766,652.29</u>	<u>1,589,034.99</u>	<u>1,764,834.24</u>	<u>1,926,761.11</u>	<u>2,447,938.42</u>	<u>2,902,361.64</u>	<u>3,296,915.72</u>
All Other Governmental Funds										
Reserved										
Restricted:										
Capital Projects Fund	25,257.29			359,052.71	345,943.40	346,981.45				
Debt Service Fund	-	2.79	2.79	-	3.81	0.55	1,039.74	1,039.14	0.88	1.00
Unassigned:										
Special Revenue Fund	-	-	-			(111,885.00)	(96,770.00)	(120,370.00)	(256,364.00)	(208,169.50)
Total all other governmental funds	<u>25,257.29</u>	<u>2.79</u>	<u>2.79</u>	<u>359,052.71</u>	<u>345,947.21</u>	<u>235,097.00</u>	<u>(95,730.26)</u>	<u>(119,330.86)</u>	<u>(464,532.62)</u>	<u>(208,168.50)</u>

Source: ACFR Schedule B-1

CITY OF NORTHFIELD SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
Unaudited

	For the Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax levy	9,775,814.00	9,970,813.00	10,136,778.00	9,663,514.00	9,885,913.00	10,214,497.00	10,295,042.00	10,742,488.00	10,731,133.00	10,905,846.00
Tuition Charges	12,503.30		6,000.00	9,832.75	12,000.00	30,000.00	47,000.00	27,900.00	27,000.00	40,000.00
Interest Earnings	2,389.31	2,388.49	4,242.85	3,128.32	2,896.14	5,176.02	7,060.48	6,141.88	2,848.32	15,163.73
Local Sources	27,135.16	39,604.30	5,728,239.33	84,233.20	79,914.03	48,157.81	46,802.58	30,701.33	30,064.10	78,347.09
State Sources	5,534,599.45	6,335,553.81	6,827,963.69	5,848,942.96	7,747,513.92	7,060,486.05	8,168,504.54	8,686,475.10	11,297,798.22	12,004,284.41
Federal Sources	392,749.07	388,176.61	462,060.90	492,737.77	571,144.29	546,773.37	582,238.55	1,236,097.96	1,085,022.38	1,355,279.63
Total Revenues	15,745,190.29	16,736,536.21	23,165,284.77	16,102,489.00	18,299,381.38	17,905,090.25	19,146,648.15	20,729,804.27	23,173,866.02	24,398,920.86
Expenditures										
Instruction										
Regular Instruction	4,543,752.81	4,917,271.47	5,014,673.14	5,221,401.84	4,809,830.00	4,802,522.99	4,916,753.05	5,139,189.05	5,289,209.40	5,362,327.14
Special education instruction	1,405,179.66	1,610,507.09	1,664,358.79	1,811,904.22	2,353,181.14	2,643,032.64	2,969,501.23	3,036,734.76	3,191,946.11	3,420,001.24
Other special instruction	424,584.59	388,585.36	382,450.27	391,631.06	-	-	-	-	-	-
Other Instruction	51,827.86	56,065.62	55,843.11	51,816.38	479,562.41	423,821.21	299,949.52	270,963.72	392,853.12	436,049.74
Nonpublic School Programs										
Support Services:										
Tuition	242,849.50	244,790.00	167,532.17	131,929.60	213,782.59	259,812.39	401,553.89	247,602.52	354,108.38	451,678.39
Student & Instruction Related Services	1,018,466.26	1,083,916.93	1,031,389.80	1,047,600.22	1,151,349.15	1,561,165.38	2,065,230.69	2,407,630.27	3,444,553.58	3,704,018.72
General Admin Services	501,621.26	352,592.04	415,929.58	375,485.30	370,343.95	343,840.86	392,718.28	376,533.71	385,122.97	383,079.80
School Admin Services	320,737.43	326,075.74	331,974.51	325,760.31	338,145.76	349,535.19	344,632.99	354,424.13	371,909.89	412,863.62
Central Services	255,831.00	282,203.10	286,353.08	273,670.18	284,412.07	291,287.73	300,907.51	307,007.38	321,963.36	324,592.78
Administrative Information Technology	165,240.87	152,395.68	173,661.63	172,796.90	173,420.91	150,548.35	164,202.30	168,297.93	169,107.50	180,123.45
Plant Operations and Maintenance	1,085,478.20	1,051,986.70	1,081,809.56	994,505.37	1,044,344.04	982,400.86	1,060,462.48	992,765.76	1,135,900.95	1,140,987.69
Pupil Transportation	217,772.02	231,823.08	211,301.26	207,078.22	282,267.11	226,538.76	217,993.32	139,333.20	236,976.11	261,736.17
Unallocated employee benefits	3,916,833.89	3,919,651.17	3,804,701.09	4,163,088.94	6,218,547.29	4,987,956.17	5,403,215.02	6,230,193.35	6,703,935.17	6,809,670.15
Capital Outlay	282,445.92	2,349,359.40	3,999,219.31	638,274.33	36,555.00	90,618.42	8,680.00	41,749.46	183,530.46	464,655.28
Debt Service:	1,532,641.50	1,533,956.50	1,536,664.00	718,704.22	769,362.76	759,140.26	741,853.26	669,856.60	657,106.26	619,621.88
Total expenditures	15,975,272.77	18,471,149.88	20,157,861.30	16,526,047.09	18,525,104.18	17,872,241.21	19,287,653.54	20,382,281.84	22,838,223.26	23,971,406.05
Excess (Deficiency) of revenues over (under) expenditures	(230,082.48)	(1,734,613.67)	3,007,423.47	(423,558.09)	(225,722.80)	32,849.04	(141,005.39)	347,522.43	335,642.76	427,514.81
Other Financing sources (uses)										
Capital Leases (Non-Budgeted)	257,351.00	-	-	(13,454.00)	35,000.00	-	-	-	-	-
Bonds Proceeds	-	-	(16,318.00)	(13,454.00)	-	-	-	-	-	-
Transfer	257,351.00	-	(16,318.00)	(13,454.00)	35,000.00	-	-	-	-	-
Total other financing sources (uses)	257,351.00	-	(16,318.00)	(13,454.00)	35,000.00	-	-	-	-	-
Net change in fund balances	27,268.52	(1,734,613.67)	2,991,105.47	(437,012.09)	(190,722.80)	32,849.04	(141,005.39)	347,522.43	335,642.76	427,514.81
Debt service as a percentage of noncapital expenditures	0.10	0.10	0.10	0.05	0.04	0.04	0.04	0.03	0.03	0.03

Source: ACRF Schedule B-2

CITY OF NORTHFIELD SCHOOL DISTRICT
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u> <u>Revenue</u>	<u>Misc.</u>	<u>Total</u>
2014	2,389.31	12,503.30	26,597.87	41,490.48
2015	2,388.49	-	39,411.89	41,800.38
2016	4,242.85	6,000.00	38,739.61	48,982.46
2017	3,128.32	9,932.75	78,734.85	91,795.92
2018	2,896.14	12,000.00	74,416.39	89,312.53
2019	5,176.02	30,000.00	45,110.48	80,286.50
2020	7,060.48	47,000.00	46,458.37	100,518.85
2021	6,141.88	27,900.00	30,459.37	64,501.25
2022	2,848.32	27,000.00	30,064.10	59,912.42
2023	15,163.73	40,000.00	78,347.09	133,510.82

Source: District Records

CITY OF NORTHFIELD SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Vacant Land	Improvements	Total Assessed Value	Less: Tax-Exempt Property	Personal Property ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2014	324,541,560	620,586,200	945,127,760	-	1,219,927	946,347,687	1.047	894,045,996
2015	323,376,460	610,167,000	933,543,460	-	1,193,961	934,737,421	1.069	963,704,035
2016	319,707,510	602,205,950	921,913,460	-	-	921,913,460	1.053	900,657,933
2017	318,289,210	590,286,450	908,575,660	-	-	908,575,660	1.079	912,346,090
2018	314,666,910	577,100,650	891,767,560	-	-	891,767,560	1.128	882,012,236
2019	314,121,710	564,641,150	878,762,860	-	-	878,762,860	1.148	905,449,204
2020	313,939,510	558,308,750	872,248,260	-	-	872,248,260	1.223	886,119,212
2021	312,884,610	556,763,450	869,648,060	-	-	869,648,060	1.235	860,552,533
2022	312,388,610	554,647,250	867,036,960	-	-	867,036,960	1.248	906,032,864
2023	311,369,500	561,020,100	872,389,600	-	-	872,389,600	1.253	1,003,248,795

Source: District records, Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

CITY OF NORTHFIELD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Rate per \$100 of Assessed Value
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	School District Direct Rate		Overlapping Rates				Total Direct and Overlapping Tax Rate
	General		Mainland Regional District	City of Northfield	Atlantic County	Total Direct	
	Basic Rate ^a	Obligation Debt Service ^b					
2014	0.933	0.114	0.584	0.857	0.410	1.047	2.898
2015	0.953	0.116	0.627	0.889	0.480	1.069	3.065
2016	0.984	0.069	0.661	0.926	0.468	1.053	3.108
2017	1.011	0.068	0.681	0.956	0.521	1.079	3.237
2018	1.059	0.069	0.717	0.996	0.507	1.128	3.348
2019	1.121	0.027	0.747	1.001	0.513	1.148	3.409
2020	1.161	0.062	0.740	1.001	0.504	1.223	3.468
2021	1.173	0.062	0.722	1.000	0.498	1.235	3.455
2022	1.188	0.060	0.731	1.003	0.510	1.248	3.492
2023	1.197	0.056	0.738	1.021	0.533	1.253	3.545

Source: District Records and Municipal Tax Collector

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

- a** The district's basic tax rate is calculated from the form A which is submitted with the budget and the net valuation taxable.
- b** Rates for debt service are based on each year's requirements.

CITY OF NORTHFIELD SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Ten Years Ago
Unaudited

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Cresson Hill Apartments, LLC, 331 Tilton Rd	7,560,000	1	0.87%	8,078,800	1	0.84%
Tilton Properties, LLC, 331 Tilton Rd	7,375,500	2	0.85%	6,471,000	2	0.67%
1601 New Road, LLC	6,471,000	3	0.74%	5,299,100	3	0.55%
Jack Trocki Development Co., 631 Tilton Rd	5,299,100	4	0.61%	4,964,300	6	0.51%
Kensington Square LLC, 200 Tilton Rd	4,964,300	5	0.57%			
Tilton Group LLC, 803 Tilton Road	4,570,400	6	0.52%			
LTD Realty Investment, 2111 New Rd	4,000,000	7	0.46%			
2605 Shore Road LLC	3,786,300	8	0.43%	3,786,300	9	0.39%
332 Tilton Road LLC	3,372,900	9	0.39%	3,372,900	10	0.35%
ARC BFNRFNJ001 LLC, 1141 Tilton Rd	3,264,800	10	0.37%			
Miljer LLC, 801-803 Tilton Rd				5,270,400	4	0.55%
Atlantic City Country Club, 900 Shore Rd				5,000,000	5	0.52%
ACG OF New Jersey, 2111 New Rd				4,000,000	7	0.41%
Antebi Properties, LLC, 1907 & 1909 New Rd				3,797,600	8	0.39%
Total	\$ 50,664,300.00		5.81%	\$ 50,040,400.00		5.18%
	Total Assessed Value		\$ 872,389,600.00			\$ 965,961,379.00

Source: District ACFR & Municipal Tax Assessor

CITY OF NORTHFIELD SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	9,775,814	9,775,814	100.00%	-
2015	9,970,913	9,970,913	100.00%	743,065
2016	10,136,778	10,136,778	100.00%	754,593
2017	9,663,514	9,663,514	100.00%	
2018	9,885,913	9,113,210	92.18%	772,703
2019	10,214,497	10,214,497	100.00%	
2020	10,295,042	10,295,042	100.00%	
2021	10,742,488	9,892,455	92.09%	850,033
2022	10,731,133	9,881,100	92.08%	850,033
2023	10,905,846	10,905,846	100.00%	

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities			Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Income ^a		
2014	3,128,000	-	198,607	-	-	3,326,607	0.92%	386	
2015	1,891,708	-	149,936	5,500,000	-	7,541,644	2.07%	877	
2016	5,901,000	-	100,617	-	-	6,001,617	1.63%	704	
2017	5,371,000	-	50,640	-	-	5,421,640	1.48%	645	
2018	4,716,000	-	-	-	-	4,716,000	1.27%	564	
2019	4,056,000	-	21,400	-	-	4,077,400	1.07%	497	
2020	3,398,000	-	10,983	-	-	3,408,983	0.87%	424	
2021	2,798,000	-	-	-	-	2,798,000	0.69%	348	
2022	2,198,000	-	-	-	-	2,198,000	0.47%	261	
2023	1,623,000	-	-	-	-	1,623,000	0.33%	192	

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

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

CITY OF NORTHFIELD SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2014	3,128,000	-	3,128,000	0.33%	363
2015	1,713,000	-	1,713,000	0.18%	199
2016	5,901,000	-	5,901,000	0.64%	693
2017	5,371,000	-	5,371,000	0.59%	639
2018	4,716,000	-	4,176,000	0.47%	500
2019	4,056,000	-	4,056,000	0.46%	494
2020	3,398,000		3,398,000	0.39%	423
2021	2,798,000		2,798,000	0.32%	348
2022	2,198,000		2,198,000	0.25%	261
2023	1,623,000		1,623,000	0.19%	192

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

CITY OF NORTHFIELD SCHOOL DISTRICT
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2023
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Propert Taxes			
Local Municipality	10,988,750.00	100.00%	10,988,750.00
Other debt			
Mainland Regional High School District	23,405,000.00	28.79%	6,738,299.50
Atlantic County	215,921,221.00	2.820%	6,088,978.43
Subtotal, overlapping debt			23,816,027.93
City of Northfield School District Direct Debt	1,623,000	100.00%	1,623,000.00
Total direct and overlapping debt			<u>\$ 25,439,027.93</u>

Sources: City of Northfield Finance Officer, Atlantic County Finance Office and Authorities

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

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

CITY OF NORTHFIELD SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized valuation basis	
2022	\$ 860,375,084
2021	994,303,440
2020	906,072,161
	<u>2,760,753,685</u>
Average equalized valuation of taxable property	920,251,895
Debt limit (3 % of average equalization value); Net bonded school debt Legal debt margin	<u>27,607,557</u> <u>1,623,000</u> <u>\$ 27,607,557</u>

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	28,253,477	27,949,729	27,945,574	28,061,181	27,304,416	27,344,645	27,016,070	26,563,337	27,607,557	27,607,557
Total net debt applicable to limit	<u>3,128,000</u>	<u>1,713,000</u>	<u>5,901,000</u>	<u>5,731,000</u>	<u>4,716,000</u>	<u>4,056,000</u>	<u>3,398,000</u>	<u>2,798,000</u>	<u>2,198,000</u>	<u>1,623,000</u>
Legal debt margin	<u>25,125,477</u>	<u>26,236,729</u>	<u>22,044,574</u>	<u>8,140,451</u>	<u>22,588,416</u>	<u>23,288,645</u>	<u>23,618,070</u>	<u>23,765,337</u>	<u>25,409,557</u>	<u>25,984,557</u>
Total net debt applicable to the limit as a percentage of debt limit	11.07%	6.13%	21.12%	20.42%	17.27%	14.83%	12.56%	10.53%	7.96%	5.88%

Source: Abstract of Rates and District Records ACFR Schedule J-6

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2014	8,620	362,893,380	42,099	9.90%
2015	8,604	365,024,700	42,425	8.60%
2016	8,521	369,266,056	43,336	7.50%
2017	8,410	367,474,950	43,695	6.00%
2018	8,360	369,963,440	44,254	5.90%
2019	8,212	382,326,084	46,557	5.10%
2020	8,031	390,852,708	48,668	4.30%
2021	8,047	407,427,657	50,631	16.40%
2022	8,428	470,299,256	55,802	7.90%
2023	8,451	492,777,810	58,310	4.40%

Source:

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

b Personal income is calculated by multiplying per capita income by the population

c Per Capita Income US Department of Commerce, Bureau of Economic Analysis

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

CITY OF NORTHFIELD SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Nine Fiscal Years
Unaudited

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	60.0	60.2	61.8	60.8	61.0	65.6	66.00	65.00	64.00	64.00
Special education	18.2	20.0	21.0	21.2	22.0	22.0	23.00	24.00	27.92	29.17
Other special education	23.0	25.3	29.7	25.4	31.5	32.3	29.16	29.35	32.86	28.80
Other instruction	11.1	9.2	9.5	8.3	7.3	7.3	7.60	7.80	8.03	8.12
Adult/Continuing Education Programs	1.0	1.0	1.0	1.0	1.0	1.0	1.00	1.00	1.00	1.00
Support Services:										
Student & instruction related services	10.4	10.0	9.4	10.4	10.5	11.1	12.90	13.30	13.00	13.10
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	2.00	2.00	2.00	2.00
School administrative services	6.0	7.0	7.0	7.0	7.0	7.0	7.00	7.00	7.00	7.00
Business administrative services	3.6	3.6	3.6	4.0	4.0	4.0	4.00	4.00	4.00	4.00
Plant operations and maintenance	12.2	12.2	12.7	12.7	12.3	12.2	11.95	11.95	11.95	11.52
Food Service	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Total	148.5	151.5	158.7	153.8	159.5	164.5	164.61	165.40	171.76	168.71

GASB requires this table to present the full-time equivalent district employees by function/program for the current year and the previous nine years.

Source: District Personnel Records

CITY OF NORTHFIELD SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Community	School				
2014	984	14,160,185	14,390	2.05%	96	10.1:1	970	933	-3.29%	96.19%	
2015	932	14,587,834	15,652	8.77%	97	9.5:1	922	877	-4.95%	95.12%	
2016	912	14,621,998	16,033	2.43%	98	9.2:1	906	868	-1.74%	95.81%	
2017	920	15,169,069	16,488	2.84%	99	9.4:1	928	890	2.43%	95.91%	
2018	910	17,719,186	19,472	18.09%	99	9.1:1	904	866	-2.59%	95.80%	
2019	915	17,022,483	18,604	-4.46%	102	9.6:1	983	937	8.74%	95.32%	
2020	915	18,537,120	20,259	8.90%	104	9.4:1	976	940	-0.71%	96.31%	
2021	887	19,670,676	22,177	9.46%	105	8.4:1	881	841	-9.68%	95.39%	
2022	880	21,997,587	24,997	12.72%	105	8.1:1	852	841	-3.35%	98.71%	
2023	873	22,887,129	26,217	4.88%	109	7.9:1	859	807	0.82%	93.95%	

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

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-

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

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

CITY OF NORTHFIELD SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Northfield Community School	147,855	147,855	147,855	147,855	147,855	147,855	147,855	147,855	147,855	147,855
Square Feet	1,111	1,111	1,111	1,111	1,111	1,111	912	912	912	912
Capacity (students)	984	932	912	920	910	915	919	887	875	875
Enrollment										

Source: District records, ASSA

Enrollment is based on the actual October district count.

CITY OF NORTHFIELD SCHOOL DISTRICT
 General Fund
 Schedule of Required Maintenance for School Facilities
 Last Ten Years
Unaudited

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

School Facilities	Project # (s)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Northfield Community School	N/A	\$ 305,860.25	308,680.92	270,382.86	279,854.70	263,843.41	265,273.49	197,090.45	209,668.68	214,595.20	242,038.35

CITY OF NORTHFIELD SCHOOL DISTRICT
Insurance Schedule
June 30, 2023
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - Atlantic & Cape May Counties		
School Business Officials Joint Insurance Fund (ACCASBOJIF)		
Property, Inland Marine and Automobile Physical Damages		
Limit of Liability - Per Occurrence	\$ 175,000,000.00	
ACCASBOJIF Per Occurrence Retention	250,000.00	
Member District Deductible		500.00
Property Valuation		
Buildings and Contents	Replacement Cost	
Contractors Equipment	Actual Cash Value	
Automobiles	Replacement Cost	
Boiler and Machinery		
Limit of Liability	125,000,000.00	
ACCASBOJIF Self-Insured Retention	None	
Member District Deductible		1,000.00
Crime		
Limit of Liability	500,000.00	
ACCASBOJIF Self-Insured Retention	250,000.00	
Member District Deductible		500.00
General Liability and Automobile Liability		
Limit of Liability	20,000,000.00	
ACCASBOJIF Self-Insured Retention	250,000.00	
Workers' Compensation		
Limit of Liability	Statutory	
ACCASBOJIF Self-Insured Retention	250,000.00	
Educator's Legal Liability		
Limit of Liability	20,000,000.00	
ACCASBOJIF Self-Insured Retention	175,000.00	
Pollution Legal Liability		
Limit of Liability	3,000,000.00	
ACCASBOJIF Self-Insured Retention	None	
Member District Deductible - Polution Incident		25,000.00
Member District Deductible - Mold Incident		100,000.00
Cyber Legal Liability		
Limit of Liability	1,000,000.00	
ACCASBOJIF Self-Insured Retention	None	
Member District Deductible		25,000.00
Violent Malilicious Acts		
Limit of Liability	1,000,000.00	
ACCASBOJIF Self-Insured Retention	None	
Member District Deductible		15,000.00
Disaster Management Services		
Limit of Liability	2,000,000.00	
ACCASBOJIF Self-Insured Retention	None	
Member District Deductible		15,000.00
Western Surety Company		
Surety Bonds		
School Business Admin/Board Sec/Treasurer	228,000.00	

Source: District Records

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Single Audit Section

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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 IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic, 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 City of Northfield School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Northfield School District's basic financial statements, and have issued our report thereon dated November 29, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Northfield 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 City of Northfield School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 City of Northfield 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, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Licensed Public School Accountant
No. 2426

November 29, 2023



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K-2

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND 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 AWARDS (UNIFORM GUIDANCE), AND NEW JERSEY OMB'S CIRCULAR 15-08

Honorable President and
Members of the Board of Education
City of Northfield School District
County of Atlantic, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the City of Northfield 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 City of Northfield School District's major federal and state programs for the year ended June 30, 2023. The City of Northfield 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 City of Northfield 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 Northfield 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, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Nancy Sbrolla

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Certified Public Accountant
Licensed Public School Accountant
No. 2426

November 29, 2023

CITY OF NORTHFIELD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year ended June 30, 2023

K-4
Schedule B

Federal Grantor/Pass-Through Grantor Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Due to Grantor	Carryover (Walkover) Amount	Balance at June 30, 2023		MEMO		
				Deferred Revenue (Accounts Receivable)	Cash Received			(Accounts Receivable)	Revenue/ Interfund	Budgetary Receivable	Cumulative Total Expenditures	
State Department of Education												
State Aid-Public Cluster												
Federal Grantor/Pass-Through Grantor Program Title	Grant or State Project Number	Grant Period	Award Amount	Deferred Revenue (Accounts Receivable)	Cash Received	Due to Grantor	Carryover (Walkover) Amount	(Accounts Receivable)	Revenue/ Interfund	Budgetary Receivable	Cumulative Total Expenditures	
23-495-034-5 120-078	23-495-034-5 120-089	7/1/22-6/30/23	\$ 4,374,195.00	-	4,374,195.00	-	-	-	-	418,840.05	4,374,195.00	
23-495-034-5 120-089	23-495-034-5 120-089	7/1/22-6/30/23	686,852.00	-	686,852.00	-	-	-	-	10,985.79	686,852.00	
23-495-034-5 120-084	23-495-034-5 120-084	7/1/22-6/30/23	114,731.00	-	114,731.00	-	-	-	-	488,078.37	114,731.00	
Total State-Aid Public Cluster			5,155,778.00	-	5,155,778.00	-	-	-	-	-	5,155,778.00	
23-495-034-5 120-014	23-495-034-5 120-014	7/1/22-6/30/23	59,085.00	-	59,085.00	-	-	-	-	5,657.54	59,085.00	
23-100-034-5 120-473	23-100-034-5 120-473	7/1/22-6/30/23	130,516.00	-	130,516.00	-	-	(130,516.00)	-	-	130,516.00	
22-100-034-5 120-473	22-100-034-5 120-473	7/1/21-6/30/22	113,121.00	(113,121.00)	113,121.00	-	-	(130,516.00)	-	-	113,121.00	
22-100-034-5 120-014	22-100-034-5 120-014	7/1/21-6/30/22	15,918.00	(15,918.00)	15,918.00	-	-	(14,726.00)	-	-	15,918.00	
22-495-034-5 120-014	22-495-034-5 120-014	7/1/21-6/30/22	15,918.00	(15,918.00)	15,918.00	-	-	(14,726.00)	-	-	15,918.00	
23-495-034-5 094-003	23-495-034-5 094-003	7/1/22-6/30/23	578,540.93	-	492,877.34	-	-	(85,663.59)	-	-	578,540.93	
22-495-034-5 094-003	22-495-034-5 094-003	7/1/21-6/30/22	581,671.07	(27,527.44)	27,527.44	-	-	(85,663.59)	-	-	581,671.07	
23-495-034-5 094-002	23-495-034-5 094-002	7/1/22-6/30/23	2,729,715.00	-	2,729,715.00	-	-	0.00	-	-	2,729,715.00	
23-495-034-5 094-002	23-495-034-5 094-002	7/1/22-6/30/23	717,889.63	-	717,889.63	-	-	(717,889.63)	-	-	717,889.63	
22-495-034-5 094-004	22-495-034-5 094-004	7/1/22-6/30/23	780.00	-	780.00	-	-	(780.00)	-	-	780.00	
Total General Fund			9,311,891.78	(156,666.44)	9,311,891.78	-	-	(230,305.59)	-	498,336.11	6,626,356.00	
Special Revenue Fund:												
Preschool Expansion Aikt	22-495-034-5 120-086	7/1/21-6/30/22	2,563,650.00	214,435.96	2,081,695.00	-	-	(214,435.96)	104,340.88	208,169.50	2,349,214.04	
Preschool Expansion Aikt	23-495-034-5 120-086	7/1/22-6/30/23	2,081,695.00	-	2,081,695.00	-	-	(22,026.00)	-	-	2,081,695.00	
SDA Emergent Needs	23-495-034-5 120-086	7/1/21-6/30/22	44,064.00	-	132.00	-	-	(44,064.00)	132.00	-	1,203,710.00	
Non-Public Textbooks			132.00	-	132.00	-	-	-	-	-	132.00	
Total Special Revenue Fund			4,690,141.00	214,435.96	4,690,141.00	-	-	(22,026.00)	104,340.88	208,169.50	3,552,924.04	
Debt Service Fund:												
Debt Service Aikt	23-495-034-5 120-075	7/1/22-6/30/23	118,189.00	-	118,189.00	-	-	-	-	-	118,189.00	
Total Debt Service Fund			118,189.00	-	118,189.00	-	-	-	-	-	118,189.00	
State Department of Agriculture												
Enterprise Fund:												
National School Lunch Program (State Share)	23-100-010-3350-023	7/1/22-6/30/23	4,303.47	(693.21)	4,005.42	-	-	(298.05)	-	-	4,303.47	
National School Lunch Program (State Share)	22-100-010-3350-023	7/1/21-6/30/22	693.21	(693.21)	693.21	-	-	-	-	-	693.21	
National School Breakfast Program (State Share)	23-100-010-3350-023	7/1/22-6/30/23	1,491.10	(693.21)	1,374.00	-	-	(117.10)	-	-	1,491.10	
Total Enterprise Fund			6,072.65	(693.21)	5,079.57	-	-	(415.15)	-	-	6,072.65	
Total State Financial Assistance			11,540,018.41	57,176.31	11,540,018.41	-	-	(253,346.74)	104,340.88	707,506.61	11,826,165.02	
Less: On-Behalf Payments												
On-Behalf TPAF Pension	22-495-034-5 094-002				(2,729,715.00)						2,729,715.00	
On-Behalf TPAF Long Term Disability	22-495-034-5 094-004				(717,889.63)						717,889.63	
On-Behalf TPAF Long Term Disability	22-495-034-5 094-004				(780.00)						780.00	
Total State Financial Assistance			8,095,213.41	57,176.31	8,095,213.41	-	-	(253,346.74)	104,340.88	707,506.61	9,066,450.02	

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

City of Northfield School District
Notes to the Schedules of 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, City of Northfield School District. The Board of Education is defined in Note 1(A) 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 expenditures 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 included 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 District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE 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 P.L. 2003, c.97 (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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.

See the following schedules and Note 1(D) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. There are no differences in the reporting of the food service funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

City of Northfield School District
Notes to the Schedules of Financial Assistance
June 30, 2023

	<u>General fund</u>	<u>Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total</u>
State Assistance:				
Actual amounts (budgetary) “revenues” from the Schedule of Expenditures of State Financial Assistance	9,386,230.93	2,235,853.98	5,794.57	11,627,879.48
Difference – budget to “GAAP”				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		269,201.10		269,201.10
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	445,951.00	256,364.00		702,315.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(499,336.10)	(208,169.50)		(707,505.60)
Total State revenue as reported on the statement of revenues, expenditures and changes in fund balances	<u>9,332,845.83</u>	<u>2,553,249.58</u>	<u>5,794.57</u>	<u>11,891,889.98</u>

City of Northfield School District
Notes to the Schedules of Financial Assistance
June 30, 2023

	General Fund	Special Revenue Fund	Food Service Fund	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Federal Assistance:				
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of Federal Awards	\$77,564.82	1,286,434.32	213,275.98	1,577,275.12
Difference - budget to "GAAP" Grant accounting budgetary basis differs from "GAAP" in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(8,719.51)		(8,719.51)
Total Federal revenue as reported on the statement of revenue, expenditures, and changes in fund balance	<u>\$77,564.82</u>	<u>1,277,714.81</u>	<u>213,275.98</u>	<u>1,568,555.61</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

**CITY OF NORTHFIELD BOARD OF EDUCATION
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE YEAR ENDED JUNE 30, 2023**

K-6

Section I -- Summary of Auditor's Results

Financial Statement

Type of auditor's report issued	<u>Unmodified</u>		
Internal control over financial reporting:			
• Material weakness(es) identified?	_____	yes	_____ <u>X</u> _____ no
• Significant deficiency(ies) identified?	_____	yes	_____ <u>X</u> _____ no
Noncompliance material to financial statements noted?	_____	yes	_____ <u>X</u> _____ no

Federal Awards

Internal Control over major programs:			
• Material weakness(es) identified?	_____	yes	_____ <u>X</u> _____ no
• Significant deficiency(ies) identified?	_____	yes	_____ <u>X</u> _____ none reported

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

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	_____	yes	_____ <u>X</u> _____ no
--	-------	-----	-------------------------

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
84.425D	S425D200027	ESSER Grants

Dollar Threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?	_____ <u>X</u> _____	yes	_____ no
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State Awards

Internal Control over major programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 15-08

_____ yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	State Aid-Public Cluster: _____
<u>23-495-034-5120-078</u>	<u>Equalization Aid</u>
<u>23-495-034-5120-089</u>	<u>Categorical Special Education Aid</u>
<u>23-495-034-5120-084</u>	<u>Categorical Security Aid</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Dollar Threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

 X yes _____ no

**CITY OF NORTHFIELD SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDING JUNE 30, 2023**

Part 2 – Schedule of Financial Statement Findings

None

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

None

**CITY OF NORTHFIELD SCHOOL DISTRICT
SUMMARY OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDING JUNE 30, 2022**

Status of Prior Year Findings

None