

**SCHOOL DISTRICT
OF**

OAKLYN

**Oaklyn Board of Education
Oaklyn, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

Oaklyn Board of Education

Oaklyn, New Jersey

For the Fiscal Year Ended June 30, 2023

**Prepared by
Oaklyn Board of Education
Finance Department**

OAKLYN SCHOOL DISTRICT

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Introductory Section



OAKLYN PUBLIC SCHOOL DISTRICT

156 Kendall Boulevard
Oaklyn, New Jersey 08107
www.oaklyn.k12.nj.us

Dr. Fredrick McDowell
Superintendent

Beth Ann Coleman RSBA
Assistant Superintendent for Business and
Operations

Ms. Jennifer Boulden
Principal

Honorable President and
Members of the Board of Education
Oaklyn Public School District
156 Kendall Boulevard
Oaklyn, New Jersey 08107

Dear Board Members:

The annual comprehensive financial report (ACFR) of the Oaklyn Public School District for the fiscal year ended June 30, 2023, is hereby submitted. This ACFR includes the District's basic financial statements prepared in accordance with Governmental Accounting Standards Board Statement 34. 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 designated to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections:

- The Introductory Section contains a letter of transmittal, an organizational chart of the District, a roster of principal officials, and a list of consultants and advisors;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the basic financial statements, and notes providing an overview of the District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the District, generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1986, as amended, 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 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments. Information related to this single audit, including the auditors' reports on the internal control structure and compliance with applicable laws and regulations, and findings and recommendations, if any, are included in the single audit section of this report.

Reporting Entity and Its Services

The Oaklyn Public School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Oaklyn Board of Education and its one school constitute the District's reporting entity.

The District continues to maintain a high quality of education. The District provides a full range of programs and services appropriate to grade levels Pre-K through 5. These include regular education, programs for the very able students (gifted and talented), as well as special education for handicapped youngsters. The following details the changes in the student enrollment of the District over the last five years.

<u>Fiscal</u> <u>Year</u>	<u>Student</u> <u>Enrollment</u>
2022-23	277
2021-22	263
2020-21	274
2019-20	285
2018-19	247

For fiscal year 2022-23, the district administrative structure included a shared Superintendent, a shared Assistant Superintendent for Business and Operations, a shared Assistant Superintendent for Curriculum and Instruction, and a Principal. The nine-member Board of Education is an elected body consisting of nine members from Oaklyn. The Board of Education meets on the third Tuesday of each month for its regular Board meetings (with some exceptions). During its Board meetings, the Board determines district goals and priorities and conducts business of the Board of Education. Board meetings are open to the public and begin at 6:30 pm.

The District is committed to helping every student reach his or her individual potential, capabilities and goals, and in doing so, provides a stimulating physical and social environment which is designed to activate the appetite for learning and motivate the students to excel to their fullest potential. It is the District philosophy that education must be flexible and oriented toward the future and that we must attempt to insure the fulfillment of the student's educational aspirations and their correlated growth characteristics. Our educational process shall continually be improved, expanded, and evaluated to meet the demands of the times. We must provide a physical and social environment which discovers, develops, and nurtures human talents, self-confidence, and critical thinking.

As society moves into the twenty-first century, we must challenge students to become critical, independent thinkers. Additionally, an emphasis has been placed on technology throughout the District through integration and immersion. The District is undertaking a comprehensive Strategic Planning Process the culmination of which will be a four-year plan that will support the needs of our students.

Economic Condition and Outlook

Oaklyn is a fully developed community whose population, ethnicity and economic status have remained relatively stable over the past ten years.

Oaklyn offers a vibrant full day Preschool program that has proven to be very successful.

Goals and Reflections:

1. Strategic planning.
2. Trauma informed practices.

Internal Accounting Controls

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal controls are 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 adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal controls are also subject to periodic evaluation by the District management.

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

Budgetary Controls

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

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

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 fund basis. These funds are explained in "Notes to the Financial Statements", Note 1.

Management's Discussion and Analysis

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of a management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in

connection with it. The District's MD&A can be found immediately following the report of the independent auditors.

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 2. The District is required to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

Risk Management

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

Independent Audit

State statutes require an annual audit by independent Certified Public Accountants or registered municipal accountants. The accounting firm of Inverso & Stewart, LLC, was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey Circular 04-04, as revised. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Acknowledgements

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

Respectfully submitted,



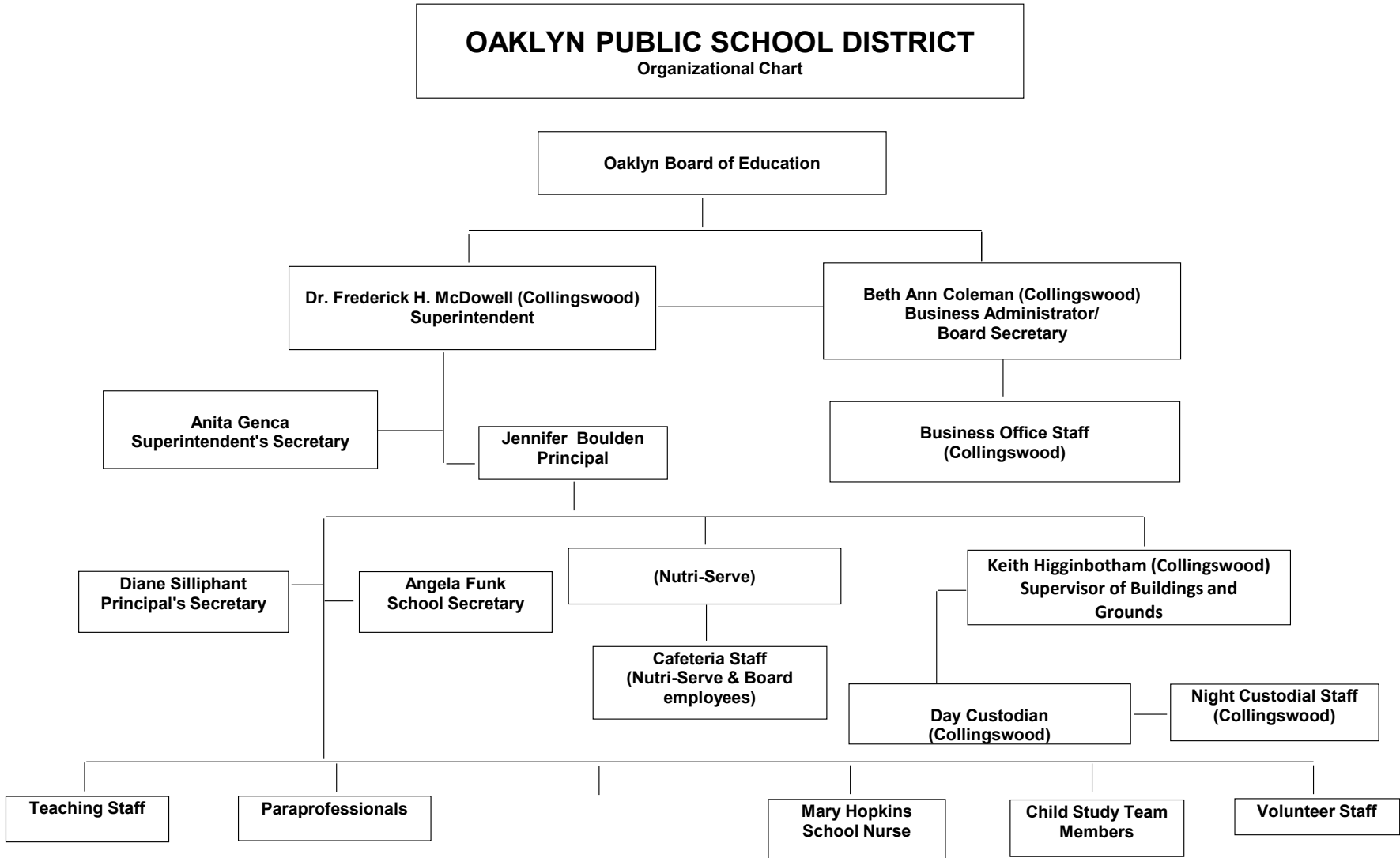
Dr. Fredrick McDowell
Superintendent



Beth Ann Coleman
Business Administrator/Board Secretary

OAKLYN PUBLIC SCHOOL DISTRICT

Organizational Chart



OAKLYN SCHOOL DISTRICT

Roster of Officials June 30, 2023

Members of the Board of Education:

Term Expires

Denise Buczko, President	12/31/2024
Todd Schaefer, Vice President	12/31/2025
William Stauts	12/31/2025
Amy Ezekiel	12/31/2024
Colleen Faupel	12/31/2023
Therese Marmion	12/31/2024
James McMillan	12/31/2023
Jennifer Ritondo	12/31/2025
Richard Taibi	12/31/2023

Dr. Fredrick H. McDowell Jr., Superintendent
Beth Ann Coleman, Assistant Superintendent for Business & Operations
Jennifer Boulden, Principal
Robert A. Muccilli, Esq., Solicitor

**OAKLYN SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

Inverso & Stewart, LLC
651 Route 73 North, Suite 402
Marlton, NJ 08053

Attorney

Capehart & Scatchard, P.A.
Robert A. Muccilli, Esq.
8000 Midlantic Drive
Mount Laurel, NJ 08054

Architect

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

Official Depository

1st Colonial National Bank
1150 Haddon Avenue
Collingswood, NJ 08108

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
(856) 983-2244
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E-Mail: rinverso@inversocpa.com

-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Oaklyn School District
County of Camden
Oaklyn, New Jersey

Report on the Audit of the Financial Statements

Opinions

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

In my 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 District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 2023, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 District's internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 15, 2023

Required Supplementary Information - Part I
Management's Discussion and Analysis

**Oaklyn School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023**

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

Financial Highlights

- The assets of the School District exceeded its liabilities at the close of the most recent fiscal year by \$4,007,715.
- Governmental activities have an unrestricted balance of \$341,121. The accounting treatments in the governmental funds for compensated absences payable, the June state aid payments, state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance, and the adoption of GASB 68 are primarily responsible for this balance.
- The total net position of the School District increased by \$398,707, or a 11.05% increase from the prior fiscal year-end balance. This increase is primarily due to the results of operations in the General Fund and the repayment of long-term debt.
- Fund balance of the School District's governmental funds increased by \$417,719 resulting in an ending fund balance of \$2,117,607. The increase is due to the results of operations in the General Fund.
- Business-type activities have an unrestricted balance of \$106,344, which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations decreased by \$102,113 which is the result of a reduction in serial bond debt, leases payable, and compensated absences.

Overview of the Basic Financial Statements

This discussion and analysis are intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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

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

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

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

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

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

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2024. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2024.

The assets of the primary government activities exceeded liabilities by \$3,706,919 with an unrestricted balance of \$341,121. The net position of the primary government does not include internal balances. As mentioned earlier, deficit unrestricted balance is primarily due to the accounting treatment for compensated absences payable, the delayed June state aid payments, state statutes that prohibit school districts from maintaining more than 2% of its adopted budget as unrestricted fund balance, and the adoption of GASB 68.

A net investment of \$1,913,294 in land, improvements, buildings, and equipment which provides services to the Oaklyn School District's public school students, represents 51.61% of the School District's net position. The balance of \$1,452,504 has been restricted as follows:

Restricted for Subsequent Year's Budget	\$	839,995
Maintenance Reserve		304,402
Unemployment Compensation		30,827
Capital Reserve		265,035
Debt Service		257
Student Activities		11,969
Scholarships		19
		<u>19</u>
 Total	 \$	 <u>1,452,504</u>

**Comparative Summary of Net Position
As of June 30, 2023 and 2022**

	Governmental Activities		Business Type Activities		District Wide	
	2023	2022	2023	2022	2023	2022
Assets						
Current Assets	\$ 2,342,165	\$ 1,972,022	\$ 137,763	\$ 133,189	\$ 2,479,928	\$ 2,105,211
Capital Assets	4,963,292	5,117,976	194,452	214,103	5,157,744	5,332,079
Total Assets	<u>7,305,457</u>	<u>7,089,998</u>	<u>332,215</u>	<u>347,292</u>	<u>7,637,672</u>	<u>7,437,290</u>
Deferred Outflow	48,314	45,052	-	-	48,314	45,052
Liabilities						
Current Liabilities	418,891	418,619	31,419	15,073	450,310	433,692
Noncurrent Liabilities	3,194,637	3,297,202	-	-	3,194,637	3,297,202
Total Liabilities	<u>3,613,528</u>	<u>3,715,821</u>	<u>31,419</u>	<u>15,073</u>	<u>3,644,947</u>	<u>3,730,894</u>
Deferred Inflows	33,324	142,440	-	-	33,324	142,440
Net Position	<u>3,706,919</u>	<u>3,276,789</u>	<u>300,796</u>	<u>332,219</u>	<u>4,007,715</u>	<u>3,609,008</u>
Net position consists of						
Invested in Capital Assets	1,913,294	1,916,679	194,452	214,103	2,107,746	2,130,782
Restricted Assets	1,452,504	1,488,199	-	-	1,452,504	1,488,199
Unrestricted Assets	341,121	(128,089)	106,344	118,116	447,465	(9,973)
Net Position	<u>\$ 3,706,919</u>	<u>\$ 3,276,789</u>	<u>\$ 300,796</u>	<u>\$ 332,219</u>	<u>\$ 4,007,715</u>	<u>\$ 3,609,008</u>

**Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		District-Wide	
	2023	2022	2023	2022	2023	2022
Revenues:						
Charges for services	\$ 23,396	\$ -	\$ 54,405	\$ 1,069	\$ 77,801	\$ 1,069
Operating grants and contributions	2,225,833	2,615,522	132,994	302,779	2,358,827	2,918,301
Property taxes	5,748,460	5,603,738			5,748,460	5,603,738
State aid - unrestricted	3,742,357	2,999,417			3,742,357	2,999,417
Other revenues	83,055	83,592	359	95	83,414	83,687
Total Revenues	11,823,101	11,302,269	187,758	303,943	12,010,859	11,606,212
Expenses:						
Governmental Activities:						
Instruction	2,970,819	2,806,456			2,970,819	2,806,456
Tuition	3,634,640	3,436,177			3,634,640	3,436,177
Related services	1,528,047	1,543,193			1,528,047	1,543,193
Administrative services	438,647	429,843			438,647	429,843
Operations and Maintenance	517,899	388,444			517,899	388,444
Transportation	421,547	240,829			421,547	240,829
Employee benefits	1,787,332	1,893,981			1,787,332	1,893,981
Other and charter	94,040	120,053			94,040	120,053
Loss (Gain) on disposal of capital assets					-	-
Business-Type Activities:						
Food Service			219,181	231,507	219,181	231,507
Total Expenses	11,392,971	10,858,976	219,181	231,507	11,612,152	11,090,483
Increase (Decrease) in Net Position before transfers						
	430,130	443,293	(31,423)	72,436	398,707	515,729
Transfers				32,329	-	32,329
Change in Net Position	430,130	443,293	(31,423)	104,765	398,707	548,058
Net Position, July 1	3,276,789	2,833,496	332,219	227,454	3,609,008	3,060,950
Net Position, June 30	\$ 3,706,919	\$ 3,276,789	\$ 300,796	\$ 332,219	\$ 4,007,715	\$ 3,609,008

Governmental Activities

Governmental activities increased the net position of the School District by \$430,130 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- Results of operations in the general fund
- Repayment of long-term debt

Business-type Activities

Business-type activities decreased the School District's net position by \$31,423. Key elements of the decrease in net position for Business Type activities are as follows:

- Results of operations of the food service program.

Financial Analysis of the Governmental Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$2,117,607, an increase of \$417,719 in comparison with the prior year. This increase is due to the results of operations in the General Fund.

The unassigned fund balance for the School District at the end of the fiscal year is \$583,633. The remainder of the fund balance is designated to indicate that it is not available for new spending because it has already been committed: 1) \$9,661 reserved for encumbrances, 2) \$153,397 appropriated as a revenue source in the subsequent year's budget, 3) \$304,402 Maintenance reserve 4) \$839,995 reserved for future budget appropriation in accordance with State statute 5) \$213,839 capital reserve, 6) reserve for capital projects \$51,196, 7) \$257 reserved for debt service, 8) reserve for unemployment compensation \$30,827, 9) reserve for student activities \$11,969, 10) reserve for scholarships \$19, and 11) a deficit fund balance of \$81,588 in the Special Revenue Fund.

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the undesignated fund balance is due primarily to the accounting treatment of the June state aid payments as discussed in the notes to the basic financial statements and state statutes that prohibit New Jersey school districts from maintaining more than 2% of their adopted budget as undesignated fund balance.

Revenue is generally recognized at the time that the outlays are identified; therefore no fund balances are normally generated in the special revenue fund.

General Fund Budgetary Highlights

At the end of the current fiscal year, undesignated fund balance (budgetary basis) of the general fund was \$865,169 while total fund balance (budgetary basis) was \$2,417,290. As a measure of the general fund's liquidity, it may be useful to compare both undesignated fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$9,958,688. Undesignated fund balance (budgetary basis) represents 8.69% of expenditures while total fund balance (budgetary basis) represents 24.27% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$5,157,744 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, and equipment. The net decrease in the District's investment in capital assets for the current fiscal year was \$174,335 or a 3.27% decrease.

Major capital asset events during the current fiscal year included the following:

- Depreciation expense for the current fiscal year was \$270,963
- Capital additions for the current fiscal year was \$127,850

**Capital Asset/Leases (net of accumulated depreciation/amortization)
June 30, 2023 and 2022**

	Governmental Activities		Business-Type Activities		District-Wide	
	2023	2022	2023	2022	2023	2022
Land	\$ 272,182	\$ 272,182			\$ 272,182	\$ 272,182
Const. in Progress					-	-
Site Improvements	47,126	50,523			47,126	50,523
Building and Building Improvements	4,482,847	4,601,957			4,482,847	4,601,957
Equipment	136,837	157,443	194,452	214,103	331,289	371,546
Leases	24,300	35,871			24,300	35,871
Net Assets	<u>\$ 4,963,292</u>	<u>\$ 5,117,976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,157,744</u>	<u>\$ 5,332,079</u>

Additional information on the School District’s capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2023, the School District had \$3,025,000 in serial bonds payable, \$82,917 in compensated absences payable, \$24,998 in leases payable, and \$213,473 in net pension liability.

Additional information on the School District’s long-term obligations can be found in the notes to the basic financial statements (Note 8) of this report.

Economic Factors and Next Year’s Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District’s budget for the 2023-2024 fiscal year.

- For the 2023-24 fiscal year, the School District will be receiving a net increase in state aid of \$554,440. The local tax levy in the General Fund increased \$390,590 over the previous year, which represents a 6.97% increase. The 2023-24 General Fund Budget is \$1,286,551 more than the previous year or a 14.15% increase. The tax rate for 2023 increased to \$2.422 from \$2.274 in 2022.

Requests for Information

This financial report is designed to provide a general overview of the School District’s finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Oaklyn School District Business Administrator, 200 Lees Avenue, Collingswood, New Jersey 08108, Telephone Number (856) 962-5720.

Basic Financial Statements

District-Wide Financial Statements

OAKLYN SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 997,440	\$ 123,194	\$ 1,120,634
Receivables, net	826,484	7,502	833,986
Lease Receivable	41,860		41,860
Inventory		7,067	7,067
Restricted assets:			
Cash and cash equivalents	518,241		518,241
Capital assets, net	4,938,992	194,452	5,133,444
Right-to-use lease assets, net	24,300		24,300
Total Assets	<u>7,347,317</u>	<u>332,215</u>	<u>7,679,532</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows of resources from pensions	<u>48,314</u>	<u>-</u>	<u>48,314</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>7,395,631</u>	<u>332,215</u>	<u>7,727,846</u>
LIABILITIES:			
Accounts payable:			
Other	199,870	6,849	206,719
Related to pensions	18,942		18,942
Internal Balances	(23,421)	23,421	
Accrued Liabilities:			
Interest payable	23,640		23,640
Unearned revenue	48,109	1,149	49,258
Noncurrent liabilities:			
Due within one year	151,751		151,751
Due beyond one year	3,194,637		3,194,637
Total Liabilities	<u>3,613,528</u>	<u>31,419</u>	<u>3,644,947</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows of resources from leases	41,860		41,860
Deferred inflows of resources from pensions	<u>33,324</u>	<u>-</u>	<u>33,324</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>3,688,712</u>	<u>31,419</u>	<u>3,720,131</u>
NET POSITION:			
Net investment in capital assets	1,913,294	194,452	2,107,746
Restricted for:			
Capital projects	265,035		265,035
Maintenance	304,402		304,402
Excess Surplus	839,995		839,995
Unemployment Compensation	30,827		30,827
Debt Service	257		257
Student Activities	11,969		11,969
Scholarships	19		19
Unrestricted (Deficit)	<u>341,121</u>	<u>106,344</u>	<u>447,465</u>
Total Net Position	<u>\$ 3,706,919</u>	<u>\$ 300,796</u>	<u>\$ 4,007,715</u>

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

OAKLYN SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 2,179,175	\$ 23,396	\$ 707,436	\$ -	\$ (1,448,343)	\$ -	\$ (1,448,343)
Special Education	525,482		111,699		(413,783)		(413,783)
Other instruction	266,162				(266,162)		(266,162)
Support Services:							
Tuition	3,634,640				(3,634,640)		(3,634,640)
Student & instruction related services	1,528,047		224,288		(1,303,759)		(1,303,759)
General administrative services	140,334				(140,334)		(140,334)
School administrative services	175,296				(175,296)		(175,296)
Central administrative services	123,017				(123,017)		(123,017)
Plant operations and maintenance	517,899				(517,899)		(517,899)
Pupil transportation	421,547				(421,547)		(421,547)
Unallocated employee benefits	1,787,332		1,182,410		(604,922)		(604,922)
Transfer of funds to Charter Schools	-				-		-
Interest on long-term debt	88,621				(88,621)		(88,621)
Unallocated depreciation and amortization	5,419				(5,419)		(5,419)
Total Governmental Activities	<u>11,392,971</u>	<u>23,396</u>	<u>2,225,833</u>	<u>-</u>	<u>(9,143,742)</u>	<u>-</u>	<u>(9,143,742)</u>
Business-Type Activities:							
Food service	219,181	54,405	132,994	-	-	(31,782)	(31,782)
Total Business-Type Activities	<u>219,181</u>	<u>54,405</u>	<u>132,994</u>	<u>-</u>	<u>-</u>	<u>(31,782)</u>	<u>(31,782)</u>
Total Primary Government	<u>\$ 11,612,152</u>	<u>\$ 77,801</u>	<u>\$ 2,358,827</u>	<u>\$ -</u>	<u>(9,143,742)</u>	<u>(31,782)</u>	<u>(9,175,524)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					5,603,625		5,603,625
Taxes levied for debt service					144,835		144,835
Federal and State aid unrestricted					3,742,357		3,742,357
Investment and Interest earnings - restricted					2,080		2,080
Miscellaneous					80,975	359	81,334
Special Items:							
Contributed capital							-
Total general revenues, special items, extraordinary items and transfers					<u>9,573,872</u>	<u>359</u>	<u>9,574,231</u>
Change in Net Position					430,130	(31,423)	398,707
Net Position - July 1,					<u>3,276,789</u>	<u>332,219</u>	<u>3,609,008</u>
Net Position - June 30					<u>\$ 3,706,919</u>	<u>\$ 300,796</u>	<u>\$ 4,007,715</u>

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

Fund Financial Statements

OAKLYN SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

ASSETS	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 1,440,476	\$ 11,988	\$ 51,400	\$ 53	\$ 1,503,917
Interfund Accounts Receivable					
General Fund					
Special Revenue Fund	139,030				139,030
Capital Projects Fund				204	204
Enterprise Fund	23,421				23,421
Internal Service Fund	11,764				11,764
Intergovernmental Accounts Receivables:					
State	632,539				632,539
Federal		177,876			177,876
Other	5,004				5,004
Other Accounts Receivable	11,065				11,065
Total Assets	\$ 2,263,299	\$ 189,864	\$ 51,400	\$ 257	\$ 2,504,820
 LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Accounts Payable					
General Fund		139,030			139,030
Capital Projects Fund					
Debt Service Fund			204		204
Accounts Payable:					
Payroll Deductions and Withholdings Payable	24,948				24,948
Unemployment Claims Payable	7,499				7,499
Other	91,398	76,025			167,423
Unearned Revenue	3,700	44,409			48,109
Total Liabilities	127,545	259,464	204		387,213
Fund Balances:					
Restricted:					
Capital Reserve	213,839				213,839
Maintenance Reserve	304,402				304,402
Excess Surplus	839,995				839,995
Capital Projects			51,196		51,196
Debt Service				204	204
Unemployment Compensation	30,827				30,827
Student Activities		11,969			11,969
Scholarships		19			19
Assigned to:					
Other Purposes	9,661				9,661
Designated for Subsequent Year's Expenditures	153,397			53	153,450
Unassigned	583,633	(81,588)			502,045
Total Fund Balances	2,135,754	(69,600)	51,196	257	2,117,607
Total Liabilities and Fund Balances	\$ 2,263,299	\$ 189,864	\$ 51,400	\$ 257	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$8,425,527 and the accumulated depreciation is \$3,486,535. 4,938,992

Leased assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$46,012 and the accumulated amortization is \$21,712. 24,300

Accounts payable related to the April 1, 2024 required PERS contribution that is not to be liquidated with current financial resources (18,942)

Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds. (23,640)

The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:

Deferred Outflows of resources from Pensions	\$ 48,314	
Net Pension Liability	(213,473)	
Deferred Inflows of resources from Pensions	(33,324)	(198,483)

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

Serial Bonds	(3,025,000)	
Leases Payable	(24,998)	
Compensated Absences	(82,917)	(3,132,915)

Net position of governmental activities \$ 3,706,919

OAKLYN SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local property tax levy	\$ 5,603,625	\$ -	\$ -	\$ 144,835	\$ 5,748,460
Tuition charges	23,396				23,396
Rents and royalties	44,241				44,241
Maintenance reserve interest	1,210				1,210
Capital reserve interest	870				870
Other restricted miscellaneous revenues					-
Unrestricted miscellaneous revenues	36,530		204		36,734
Federal sources	32,629	542,925			575,554
State sources	4,743,577	768,084		75,633	5,587,294
Local sources		16,327			16,327
Total Revenues	10,486,078	1,327,336	204	220,468	12,034,086
EXPENDITURES:					
Current expense:					
Regular instruction	1,285,959	707,436			1,993,395
Special education instruction	413,783	111,699			525,482
Other instruction	266,162				266,162
Support services and undistributed costs:					
Tuition	3,634,640				3,634,640
Student & instruction related services	1,195,866	332,181			1,528,047
General administrative services	118,078				118,078
School administrative services	175,296				175,296
Central services	122,670				122,670
Plant operations and maintenance	459,697				459,697
Pupil transportation	421,547				421,547
Employee benefits	1,735,380	283,913			2,019,293
Capital Outlay	129,610				129,610
Transfer of Funds to Charter School					-
Debt service:					
Principal				140,000	140,000
Interest and other charges				82,450	82,450
Total Expenditures	9,958,688	1,435,229	-	222,450	11,616,367
Excess (Deficiency) of Revenues over (under) Expenditures	527,390	(107,893)	204	(1,982)	417,719
Other Financing Sources (Uses):					
Transfers in		86,140		204	86,344
Transfers out	(86,140)		(204)		(86,344)
Total other financing sources (uses)	(86,140)	86,140	(204)	204	-
Net Change in Fund Balances	441,250	(21,753)	-	(1,778)	417,719
Fund Balances - July 1	1,694,504	(47,847)	51,196	2,035	1,699,888
Fund Balances - June 30	\$ 2,135,754	\$ (69,600)	\$ 51,196	\$ 257	\$ 2,117,607

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 417,719

Amounts reported for governmental activities in the statement of activities (A-2)
are different because:

Capital outlays are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.

Depreciation expense	\$ (270,963)	
Capital outlays capitalized in accordance with District's policies	<u>127,850</u>	(143,113)

Capital outlays related to leases are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization in the current fiscal year.

Amortization expense	(11,571)	
Fixed Asset Additions	<u> </u>	(11,571)

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.

140,000

Repayment of leases 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.

11,299

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.

(6,171)

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.

20,976

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

991

Change in Net Position of Governmental Activities

\$ 430,130

OAKLYN SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service Fund	Shared Services
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 123,194	\$ 11,764
Intergovernmental receivables:		
State	170	-
Federal	5,939	-
Accounts receivable	1,393	-
Inventories	7,067	-
Total current assets	137,763	11,764
Noncurrent assets:		
Equipment	340,451	-
Less - accumulated depreciation	(145,999)	-
Total noncurrent assets	194,452	-
Total Assets	332,215	11,764
LIABILITIES:		
Current liabilities:		
Accounts payable	6,849	-
Interfund payable	23,421	11,764
Unearned revenue	1,149	-
Total current liabilities	31,419	11,764
NET POSITION:		
Net investment in capital assets	194,452	-
Unrestricted	106,344	-
Total Net Position	\$ 300,796	\$ -

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

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

	Business-Type Activities Enterprise Funds Food Service Fund	Governmental Activities Internal Service Funds Shared Services
Operating Revenues:		
Charges for Services:		
Daily sales:		
Reimbursable programs	\$ 25,339	\$ -
Non-reimbursable programs	29,066	-
Miscellaneous	-	34,534
	<hr/>	<hr/>
Total Operating Revenue	54,405	34,534
	<hr/>	<hr/>
Operating Expenses:		
Salaries	69,880	22,770
Employee benefits	21,063	11,764
Supplies and materials	5,583	-
Management Fee	16,378	-
Repairs and maintenance	209	-
Other costs	6,782	-
Depreciation	19,651	-
Cost of sales - reimburseable programs	66,226	-
Cost of sales - nonreimburseable programs	13,409	-
	<hr/>	<hr/>
Total Operating Expenses	219,181	34,534
	<hr/>	<hr/>
Operating Income (Loss)	(164,776)	-
	<hr/>	<hr/>
Non-Operating Revenues:		
State sources:		
State school lunch program	1,847	-
State school breakfast program	486	-
Federal sources:		
National school lunch program	52,774	-
National school breakfast program	29,433	-
After school snacks	71	-
Supply chain assistance	26,390	-
Food distribution program	21,993	-
Interest earned	359	-
	<hr/>	<hr/>
Total Non-Operating Revenues	133,353	-
	<hr/>	<hr/>
Change in Net Position	(31,423)	-
	<hr/>	<hr/>
Net Position - July 1, 2022	332,219	-
	<hr/>	<hr/>
Net Position - June 30, 2023	<u>\$ 300,796</u>	<u>\$ -</u>

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

OAKLYN SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service Fund	Shared Services
Cash Flows from Operating Activities:		
Cash receipts from customers	\$ 51,986	\$ 34,534
Cash payments to employees for services	(63,235)	(38,947)
Cash payments to suppliers for goods and services	(94,512)	-
Net cash provided by (used for) operating activities	(105,761)	(4,413)
Cash Flows from Noncapital Financing Activities:		
Cash received from state sources	2,503	-
Cash received from federal sources	124,284	-
Net cash provided by (used for) noncapital financing activities	126,787	-
Cash Flows Used by Capital and Related Financing Activities:		
Purchase of equipment	-	-
Cash Flow Provided by Investing Activities:		
Interest on cash equivalents	359	-
Net increase (decrease) in cash and cash equivalents	21,385	(4,413)
Cash and cash equivalents - July 1, 2022	101,809	16,177
Cash and cash equivalents - June 30, 2023	\$ 123,194	\$ 11,764
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Operating income (loss)	\$ (164,776)	\$ -
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:		
Depreciation	19,651	-
Commodities	21,993	-
Change in assets and liabilities:		
(Increase) decrease in accounts receivables	(1,393)	-
(Increase) decrease in inventories	2,419	-
Increase (decrease) in accounts payables	(7,511)	-
Increase (decrease) in interfund payables	23,421	(4,413)
Increase (decrease) in unearned revenue	435	-
Net cash provided by (used for) operating activities	\$ (105,761)	\$ (4,413)

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

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Oaklyn School District (“School District”) is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board of Education is comprised of nine members elected to three-year terms. These terms are staggered so that three member’s terms expire each year. The purpose of the School District is to provide educational services for resident students in grades PK through 5. Students in grades 6 through 12 attend the Collingswood High School District on a tuition basis. The Oaklyn School District has an approximate enrollment at June 30, 2023 of 277 students.

The primary criteria for including activities within the School District’s reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School district over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government’s management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria requires the blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

The basic financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (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. The more significant of the School District's accounting policies are described below.

The School District's basic financial statements consists of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Statements (Continued) - The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds - Proprietary funds are used to account for the School District’s ongoing activities, which are similar to those in the private sector.

Enterprise Funds – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The School District’s enterprise funds are:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

All proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net total position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means the amount of the transaction can be determined and “available” means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, 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 School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an “accounts receivable.” With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

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

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets/Budgetary Control (Continued) - The accounting records of the special revenue fund are maintained on the budgetary basis. The budgetary basis differs from GAAP in that the 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.

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

Encumbrances - Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, and all eligibility and time requirements satisfied are reflected on the balance sheet as unearned grant revenue at fiscal year-end.

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

Cash, Cash Equivalents and Investments - Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. 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. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A. 17:9-41et 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 Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2023 and 2022 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis.

The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements.

Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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

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

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued) - Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

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 School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

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

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

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

Net Investment in Capital Assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or law or regulations of other governments.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

It is the School District’s policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

Fund Balance – The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District’s classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2023.

Restricted – This fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

Assigned – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

Unassigned – This fund balance classification is the residual classification for the General Fund. It represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, it is the School District’s policy to spend restricted fund balances first. Likewise, when an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently Issued Accounting Pronouncements – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The District did not have any subscription-based information technology arrangements that required disclosure.

In June 2022 the GASB issued Statement 100, *Accounting Changes and Error Corrections- An Amendment of GASB Statement No. 62* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for reporting periods beginning after June 15, 2023.

In June 2022 the GASB issued Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District’s deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School district in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District’s amount on deposit of \$1,841,218 as of June 30, 2023, \$250,000 was insured under FDIC and the remaining balance of \$1,591,218 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District’s approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

3. CAPITAL RESERVE ACCOUNT (Continued)

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

Balance – July 1, 2022		\$	345,819
Increased by:			
Interest earned	\$	870	
Board resolution	-	870	
		-	346,689
Decreased by:			
Budget withdrawal			132,850
Balance – June 30, 2023		\$	213,839

The June 30, 2023 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were utilized to fund facilities projects approved by the New Jersey Department of Education, consistent with the School District’s LRFPP.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2023 for the School District’s individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Intergovernmental				
State	\$ 632,539	\$ -	\$ 170	\$ 632,709
Federal	-	177,876	5,939	183,815
Other	16,069	-	1,393	17,462
Total	\$ 648,608	\$ 177,876	\$ 7,502	\$ 833,986

Lease Receivable - On September 1, 2019, the School District entered a 48-month lease as lessor for the use of building space. As of July 1, 2021, an initial lease receivable was recorded in the amount of \$80,242. As of June 30, 2023, the value of the lease receivable was \$41,860. At expiration, the lessee opted to renew the lease for an additional 12 months. The lessee is required to make monthly payments of \$4,186 during the months of September through June. This amount may be adjusted annually based on the square footage needs of the lessee and lessor. The lease has an interest rate of 0.00%. The value of the deferred inflow of resources as of June 30, 2023, is \$41,860, and the School District recognized lease revenue of \$40,121 during the fiscal year.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

5. CAPITAL ASSETS

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

	<u>Balance June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2023</u>
Governmental Activities:				
Land	\$ 272,182	\$ -	\$ -	\$ 272,182
Construction in Progress	-	-	-	-
Total Capital Assets not being Depreciation	272,182	-	-	272,182
Land Improvements	178,050	-	-	178,050
Building and Improvements	6,845,599	127,850	-	6,973,449
Equipment	1,001,846	-	-	1,001,846
Total Historical Cost	<u>8,297,677</u>	<u>127,850</u>	<u>-</u>	<u>8,425,527</u>
Less Accumulated Depreciation:				
Land Improvements	127,527	3,397	-	130,924
Building and Improvements	2,243,642	246,960	-	2,490,602
Equipment	844,403	20,606	-	865,009
Total Accumulated Depreciation	<u>3,215,572</u>	<u>270,963</u>	<u>-</u>	<u>3,486,535</u>
Governmental Activities Capital Assets, Net	<u>\$ 5,082,105</u>	<u>\$ (143,113)</u>	<u>\$ -</u>	<u>\$ 4,938,992</u>
Business-Type Activities:				
Building and Improvements	\$ 39,847	\$ -	\$ -	\$ 39,847
Equipment	300,604	-	-	300,604
Less - Accumulated Depreciation	<u>126,348</u>	<u>19,651</u>	<u>-</u>	<u>145,999</u>
Business-Type Activities Capital Assets, Net	<u>\$ 214,103</u>	<u>\$ (19,651)</u>	<u>\$ -</u>	<u>\$ 194,452</u>

Depreciation expense in the amount of \$270,963 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Instruction	\$ 176,126
Administration	21,677
Plant operations & maintenance	67,741
Unallocated	<u>5,419</u>
Total depreciation expense	<u>\$ 270,963</u>

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

6. LEASE ASSETS

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

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023
Governmental Activities:				
Lease Assets, being Amortized:				
Machinery and Equipment	\$ 46,012	\$ -	\$ -	\$ 46,012
Total Lease Assets Being Amortized	46,012	-	-	46,012
 Governmental Activities				
Lease Assets	46,012	-	-	46,012
 Less Accumulated Amortization for:				
Machinery and Equipment	(10,141)	(11,571)	-	(21,712)
Total Accumulated Amortization	(10,141)	(11,571)	-	(21,712)
 Governmental Activities Lease Assets, Net	\$ 35,871	\$ (11,571)	\$ -	\$ 24,300

Amortization expense in the amount of \$11,571 was charged to governmental functions as follows:

Function	Amount
Regular Instruction	\$ 10,645
Administration	579
Central Services	347
	\$ 11,571

7. INVENTORY

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food	\$ 4,988
Supplies	2,079
	\$ 7,067

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

8. LONG-TERM OBLIGATIONS

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

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Serial Bonds Payable	\$ 3,165,000	\$ -	\$ 140,000	\$ 3,025,000	\$ 140,000
Leases Payable	36,297		11,299	24,998	11,751
Compensated Absences	83,908	3,568	4,559	82,917	
Net Pension Liability	163,296	50,177		213,473	
	<u>\$ 3,448,501</u>	<u>\$ 53,745</u>	<u>\$ 155,858</u>	<u>\$ 3,346,388</u>	<u>\$ 151,751</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the School District are as follows:

Serial Bonds dated November 26, 2019, in the amount of \$3,400,000, with \$3,025,000 outstanding, due in annual installments through September 15, 2040, bearing interest rates of 2.00% to 3.00%.

As of June 30, 2023, principal and interest due on bonds outstanding is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 140,000	\$ 79,650	\$ 219,650
2025	145,000	76,800	221,800
2026	150,000	73,287	223,287
2027	155,000	69,094	224,094
2028-2032	850,000	277,750	1,127,750
2033-2037	985,000	150,906	1,135,906
2038-2040	600,000	24,750	624,750
Total	<u>\$ 3,025,000</u>	<u>\$ 752,237</u>	<u>\$ 3,777,237</u>

Bonds and Notes Authorized but not Issued

As of June 30, 2023, the School District had no authorizations to issue additional bonded debt.

Compensated Absences

Compensated absences will be paid from the fund from which the employees' salaries are paid.

Leases Payable -The School District has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On May 1, 2021, the School District entered a 48-month lease as lessee for the use of copiers. As of July 1, 2021, an initial lease liability was recorded in the amount of \$27,030. The lease liability was \$13,444 as of June 30, 2023. The School District is required to make monthly payments of \$633. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$12,927 with accumulated amortization of \$14,103.

On September 1, 2021, the School District entered a 48-month lease as lessee for the use of copiers. An initial lease liability was recorded in the amount of \$14,471. The lease liability was \$8,125 as of June 30, 2023. The School District is required to make monthly payments of \$326. The lease has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2023, was \$7,839 with accumulated amortization of \$6,632.

**Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

8. LONG-TERM OBLIGATIONS (Continued)

Leases Payable (Continued) -

On June 1, 2022, the School District entered a 60-month lease as lessee for the use of a postage meter. An initial lease liability was recorded in the amount of \$4,511. The lease liability was \$3,429 as of June 30, 2023. The School District is required to make quarterly payments of \$242. The lease has an interest rate of 3.00%. The value of the right to use asset as of June 30, 2023, was \$3,534 with accumulated amortization of \$977.

As of June 30, 2023, the District had leases outstanding as follows:

<u>Purpose</u>	<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Copiers	May 1, 2021	April 1, 2025	4.00%	\$ 13,444
Copiers	September 1, 2021	August 1, 2025	4.00%	8,125
Postage Meter	June 1, 2022	May 1, 2027	3.00%	3,429
Total				<u>\$ 24,998</u>

The future annual lease obligations as of June 30, 2023, are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,751	\$ 717	\$ 12,468
2025	10,949	254	11,203
2026	1,581	38	1,619
2027	<u>717</u>	<u>9</u>	<u>726</u>
Total	<u>\$ 24,998</u>	<u>\$ 1,018</u>	<u>\$ 26,016</u>

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Empower (formerly Prudential Financial) for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at the following website: <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional, and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

**Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

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

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2022. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2023 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2022 was \$733,965 and was paid by April 1, 2023. School District employee contributions to the pension plan during the fiscal year ended June 30, 2023 were \$182,794.

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

At June 30, 2023, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

For the year ended June 30, 2023, the School District recognized pension expense of \$243,509 and revenue of \$243,509 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/22</u>	<u>06/30/21</u>
Collective deferred outflows of resources	\$ 4,885,289,911	\$ 6,230,825,389
Collective deferred inflows of resources	19,563,805,393	27,221,092,460
Collective net pension liability (Non-Employer – State of New Jersey)	51,676,587,303	48,165,991,182
State's portion of the net pension liability that was associated with the School District	9,048,080	7,897,029
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.0175369364%	.0164264129%

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

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%
	100.00%	

Discount rate. The discount rate used to measure the State's 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 (State of New Jersey) 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the pension plan's measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) that the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	10,609,066	9,048,080	7,733,145
	\$ 10,609,066	\$ 9,048,080	\$ 7,733,145

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Vesting and Benefit Provisions – The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. The School District's contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19. P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Based on the most recent PERS measurement date of June 30, 2022, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023, was \$17,838 and was paid by April 1, 2023. School District employee contributions to the pension plan during the fiscal year ended June 30, 2023, were \$8,327.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Total Liability Paid by District
2023	\$ 2,717	\$ 14,349	\$ 772	\$ 17,838
2022	1,955	13,444	744	16,143
2021	1,701	12,482	720	14,903

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to 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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by 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.

At June 30, 2023, the School District reported a liability of \$213,473 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. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

For the year ended June 30, 2023, the School District recognized pension expense of (\$3,138). At June 30, 2023, the School District reported a liability of \$213,473 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,541	\$ 1,359
Changes of assumptions	661	31,965
Net Difference between projected and actual earnings on pension plan investments	8,835	
Changes in proportion	18,335	
District contributions subsequent to the measurement date	18,942	
Total	\$ 48,314	\$ 33,324

\$18,942 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ended June 30, 2024.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2024	\$ (13,927)
2025	182
2026	(1,966)
2027	11,590
2028	169
Total	\$ (3,952)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Additional Information

Collective balances at June 30, 2022 and 2021 are as follows:

	<u>6/30/2022</u>	<u>6/30/2021</u>
Collective deferred outflows of resources	\$ 1,715,543,211	\$ 818,359,815
Collective deferred inflows of resources	\$ 4,112,583,758	\$ 11,243,411,487
Collective net pension liability	\$ 15,219,184,920	\$ 11,972,782,878
School District's Proportion	.0014145377%	.0013784285%

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

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	2.75 – 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 disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

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

**Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market 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%
Total	100.00%	

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

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2022, calculated using the discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
School District's proportionate share of the net pension liability	\$ 274,250	\$ 213,473	\$ 161,749

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Empower (formerly Prudential Financial). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

**Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

9. PENSION PLANS (Continued)

Defined Contribution Retirement Program (DCRP) (Continued)

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District’s contribution amounts for each pay period are transmitted to Empower not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District’s contributions, equal to the required contribution for each fiscal year, were as follows:

<u>Fiscal Year</u>	<u>Total Liability</u>	<u>Paid by School District</u>
2023	\$ 1,220	\$ 1,220
2022	420	420
2021	-	-

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan (the “OPEB Plan”) is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the “Division”) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Contributions

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

**Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Plan Membership

As of June 30, 2022, the program membership consisted of the following:

Active Plan Members	213,148
Retirees	<u>151,669</u>
	<u><u>364,817</u></u>

Total Non-Employer OPEB Liability

The State of New Jersey, a nonemployer 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 School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the School District 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 the NJ State ACFR on the Office of Management and Budget webpage: nj.gov/treasury/omb/fr.shtml. The State, as a nonemployer contributing entity, reported a Fiscal Year 2022 total OPEB liability of \$50,646,462,966 for this special funding situation.

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 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation rate	2.50%		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases	2.75 – 4.25%	2.75 – 6.55%	3.25 – 16.25%
	based on service years	based on service years	based on service years

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS, and PFRS actuarial experience studies prepared for 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 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

Changes in the Total Nonemployer OPEB Liability

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	Total OPEB Liability
Balance as of June 30, 2021	\$ 15,210,914
Changes for the Year	
Service Cost	455,750
Interest	342,137
Changes of benefit terms	-
Differences between expected and actual experience	692,839
Changes in assumptions	(3,463,306)
Gross Benefit Payments	(338,897)
Contributions from the Non-employer	N/A
Contributions from the Member	10,872
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	\$ (2,300,605)
Balance at 06/30/2022	<u>\$ 12,910,309</u>

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

	<u>1% Decrease</u> <u>(2.54%)</u>	<u>Current</u> <u>Discount Rate</u> <u>(3.54%)</u>	<u>1% Increase</u> <u>(4.54%)</u>
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 15,174,710	\$ 12,910,309	\$ 11,095,505

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

	<u>1% Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 10,671,160	\$ 12,910,309	\$ 15,851,568

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the year ended June 30, 2023, the School District recognized (\$451,356) in OPEB expense and revenue, in the government-wide financial statements, for the State’s proportionate share of the OPEB Plan’s OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan’s June 30, 2022 measurement date.

In accordance with GASBS No. 75, the School District’s proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2022, the State’s proportionate share of the total nonemployer OPEB liability’s deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 82,915	\$ (3,466,712)
Differences between expected and actual experience	2,305,002	(3,941,667)
Changes of assumptions	2,234,448	(4,393,964)
Total	\$ 4,622,365	\$ (11,802,343)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State’s proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2024	\$ (1,213,593)
2025	(1,213,593)
2026	(1,213,593)
2027	(1,048,849)
2028	(599,746)
Thereafter	(1,890,604)
Total	\$ (7,179,978)

Detailed information about the pension plan’s sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2023, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$738,288, \$193,947, and \$300, respectively. In addition, \$176,947 on-behalf payments were made by the state for the employer’s share of social security contributions for TPAF members, as calculated on their base salaries.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

12. RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters.

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

Joint Insurance Pool - The School District is a member of the New Jersey Burlington County Joint Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program. Insurance coverage as provided by the Fund can be found in the Statistical Section of this Annual Comprehensive Financial Report.

Annual contributions to the Fund are determined by the Fund’s Board of Trustees. The School District is jointly and personally liable for claims insured by the Fund and its members during the period of its membership, including liability for supplemental assessments, if necessary. The Fund’s Board of Trustees may authorize refunds to its members in any fund year for which contributions exceed the amount necessary to fund all obligations for that year.

A complete schedule of insurance coverage can be found in the “Statistical Section” of this report.

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

The following is a summary of the School District’s unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2023	\$ -	\$ 5,060	\$ -	\$ 2,973	\$ 38,326
2022	-	4,197	-	-	36,239
2021	-	3,783	-	-	32,042

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

**Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023**

14. COMPENSATED ABSENCES

The School 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.

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

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2023, the liability for compensated absences in the governmental activities fund was \$82,917.

15. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2024. The following interfund balances were recorded on the various balance sheets as of June 30, 2023:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General	\$ 174,215	\$ -
Special Revenue	-	139,030
Capital Projects	-	204
Debt Service	204	-
Internal Service	-	11,764
Enterprise	-	23,421
	<u>\$ 174,419</u>	<u>\$ 174,419</u>

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2023, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

17. TAX ABATEMENTS (Continued)

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

As of December 31, 2022, the Borough of Oaklyn had no tax abatements.

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$81,588 in the Special Revenue Fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable.

Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2, any negative unassigned special revenue fund balance that is reported as a direct result of a delay in the June payments of state aid until the following fiscal year is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$81,588 in the Special Revenue Fund is equal to or less than the June state aid payments.

19. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Specific restrictions of the School District's fund balance are summarized as follows:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$235,682 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$604,313 of excess fund balance generated during the 2021-2022 fiscal year has been restricted and designated for utilization in the 2023-2024 budget.

Capital Reserve Account – As of June 30, 2023, the balance in the capital reserve account is \$213,839. The balance is restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan.

Oaklyn School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

19. FUND BALANCES (Continued)

RESTRICTED

Maintenance Reserve Account – As of June 30, 2023, the balance in the maintenance reserve account is \$304,402. The balance of the funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Unemployment Compensation – As of June 30, 2023, the balance in the unemployment compensation reserve account is \$30,827.

Special Revenue Fund:

Student Activities – As of June 30, 2023, the balance in the student activities account is \$11,969.

Scholarships – As of June 30, 2023, the balance in the scholarship account is \$19.

Capital Project Fund – As of June 30, 2023, the balance in the capital projects account is \$51,196.

Debt Service Fund – As of June 30, 2023, the balance in the debt service account is \$257.

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated \$153,397 of general fund balance and included as an anticipated revenue for the fiscal year ending June 30, 2024.

Other Purposes – As of June 30, 2023, the School District has \$9,661 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2023, the unassigned fund balance of the general fund was \$583,633.

Special Revenue Fund – As of June 30, 2023, there was a deficit of \$81,588. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

Required Supplementary Information - Part II

Budgetary Comparison Schedules

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local Tax Levy	\$ 5,603,625	\$ -	\$ 5,603,625	\$ 5,603,625	\$ -
Tuition - from other LEA's within State	-	-	-	23,396	23,396
Rent and Royalties	40,941	-	40,941	44,241	3,300
Maintenance Reserve interest	400	-	400	1,210	810
Capital Reserve interest	75	-	75	870	795
Other Unrestricted misc. revenues	-	-	-	-	-
Unrestricted misc. revenues	4,493	-	4,493	36,530	32,037
Total local sources	5,649,534	-	5,649,534	5,709,872	60,338
State sources:					
School Choice Aid	68,775	-	68,775	68,775	-
Categorical transportation aid	16,236	-	16,236	16,236	-
Categorical special education aid	380,198	-	380,198	380,198	-
Equalization aid	2,503,417	-	2,503,417	2,503,417	-
Categorical security aid	48,228	-	48,228	48,228	-
Maintenance of Equity Aid	-	-	-	466,416	466,416
Extraordinary Aid	-	-	-	148,753	148,753
Lead Testing for Schools Aid	-	-	-	1,276	1,276
On-behalf TPAF pension contrib. (non-budgeted)	-	-	-	738,288	738,288
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	193,947	193,947
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	300	300
Reimbursed TPAF social security contribution (non-budgeted)	-	-	-	176,947	176,947
Total state sources	3,016,854	-	3,016,854	4,742,781	1,725,927
Federal Sources:					
Medicaid Reimbursement	7,203	-	7,203	32,629	25,426
Total federal sources	7,203	-	7,203	32,629	25,426
TOTAL REVENUES	8,673,591	-	8,673,591	10,485,282	1,811,691
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	136,574	(9,829)	126,745	126,101	644
Grades 1-5	927,370	53,820	981,190	980,955	235
Regular Programs - Home Instruction:					
Salaries of teachers	500	(363)	137	137	-
Purchased professional - educational services	500	4,033	4,533	4,533	-
Regular Programs - Undistributed Instruction:					
Used Vacation Payment to Term/Ret Staff	-	-	-	-	-
Purchased professional - educational services	119,974	(119,450)	524	-	524
Purchased technical services	47,987	(9,933)	38,054	37,982	72
Other purchased services	40,537	(24,778)	15,759	15,758	1
General supplies	145,040	(14,981)	130,059	120,493	9,566
Textbooks	-	-	-	-	-
Other objects	165	-	165	-	165
Total - regular programs - instruction	1,418,647	(121,481)	1,297,166	1,285,959	11,207

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Special Education Instruction:					
Multiple Disabilities:					
Salaries of teachers	\$ 70,810	\$ 48,320	\$ 119,130	\$ 119,126	\$ 4
Purchased professional - educational services	23,250	23,000	46,250	46,250	-
General supplies	15,350	(10,000)	5,350	5,263	87
Total multiple disabilities	109,410	61,320	170,730	170,639	91
Resource room/resource center:					
Salaries of teachers	276,210	(118,051)	158,159	158,093	66
Purchased professional - educational services	67,250	15,001	82,251	82,251	-
General supplies	8,300	(6,400)	1,900	1,826	74
Total resource room/resource center	351,760	(109,450)	242,310	242,170	140
Preschool Disabilities - Part Time					
Salaries of teachers	2,400	(2,400)			-
Purchased professional - educational services	2,400	(2,400)			-
General supplies		1,000	1,000	974	26
Total preschool disabilities - part time	4,800	(3,800)	1,000	974	26
Home Instruction:					
Salaries of teachers		-			-
Purchased professional - educational services		-			-
Total home instruction	-	-	-	-	-
Total special education - instruction	465,970	(51,930)	414,040	413,783	257
Basic Skills/Remedial - Instruction					
Salaries of teachers	127,550	42,544	170,094	170,094	-
Purchased professional - educational services	2,500	(2,500)			-
Other purchased services		-			-
General supplies	200	-	200	41	159
Total basic skills/remedial - instruction	130,250	40,044	170,294	170,135	159
Bilingual Education - Instruction					
Salaries of teachers	87,140	(9,312)	77,828	77,435	393
General supplies	100	-	100		100
Total bilingual education - instruction	87,240	(9,312)	77,928	77,435	493
School-Sponsored Co/Extra-Curr. Act - Instruction:					
Salaries	14,528	505	15,033	15,033	-
Other objects	250	-	250		250
Total school-sponsored cocurr. act. - instruct.	14,778	505	15,283	15,033	250

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Athletics - Instruction:					
Purchased services	\$ -	\$ -	\$ -	\$ -	\$ -
Total school-sponsored athletics - instruct.	-	-	-	-	-
Summer School - Instruction:					
Salaries of teachers	2,500	(700)	1,800	1,727	73
Purchased professional - technical services	2,000	(2,000)			-
General supplies	150	-	150		150
Total summer school - instruction	4,650	(2,700)	1,950	1,727	223
Summer School - Support Services:					
Salaries	3,840	330	4,170	1,452	2,718
Total summer school - instruction	3,840	330	4,170	1,452	2,718
Total summer school	8,490	(2,370)	6,120	3,179	2,941
Community serv. Programs/operations					
Salaries	800	20	820	380	440
Total Instruction	2,126,175	(144,524)	1,981,651	1,965,904	15,747
Undistributed Expenditures - Instruction					
Tuition to other LEAs within the state - reg.	2,983,518	(16,500)	2,967,018	2,963,518	3,500
Tuition to other LEAs within the state - spec	166,642	93,210	259,852	259,809	43
Tuition to County Voc. School Dist. - reg.	33,303	395	33,698	33,321	377
Tuition to CSSD & Reg. Day schools	50,014	95,787	145,801	143,108	2,693
Tuition to priv. sch. for the disabled w/in state	388,252	(193,392)	194,860	194,614	246
Tuition - state facilities	40,270	-	40,270	40,270	-
Tuition - other	-	-	-	-	-
Total undistributed expenditures - instruction	3,661,999	(20,500)	3,641,499	3,634,640	6,859
Attendance and social work:					
Salaries	27,957	1	27,958	27,958	-
Total attendance and social work	27,957	1	27,958	27,958	-
Health Services:					
Salaries	62,411	1,188	63,599	63,599	-
Purchased professional and technical services	3,400	420	3,820	3,704	116
Supplies and materials	27,330	(22,412)	4,918	1,819	3,099
Total health services	93,141	(20,804)	72,337	69,122	3,215

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Speech, OT, PT & Related Services					
Purchased professional - educational services	\$ 177,850	\$ (64,361)	\$ 113,489	\$ 113,489	\$ -
Supplies and materials	7,975	(4,876)	3,099	3,099	-
Total speech, ot, pt & related services	<u>185,825</u>	<u>(69,237)</u>	<u>116,588</u>	<u>116,588</u>	<u>-</u>
Other Support Services Students - Extra. Serv.					
Purchased professional - educational services	180,002	207,016	387,018	387,018	-
Total other support services students - extra. serv.	<u>180,002</u>	<u>207,016</u>	<u>387,018</u>	<u>387,018</u>	<u>-</u>
Guidance:					
Salaries of other professional staff	-	-	-	-	-
Purchased professional - educational services	-	-	-	-	-
Supplies and materials	1,250	-	1,250	468	782
Other objects	-	-	-	-	-
Total guidance	<u>1,250</u>	<u>-</u>	<u>1,250</u>	<u>468</u>	<u>782</u>
Child Study Teams:					
Salaries of other professional staff	1,000	(21)	979	412	567
Salaries of secreterial & clerical assistants	27,557	-	27,557	27,557	-
Purchased professional - educational services	272,592	24,094	296,686	296,686	-
Other purchased prof. and tech. services	76,908	(53,000)	23,908	23,682	226
Other purchased services (400-500 series)	8,425	-	8,425	8,259	166
Supplies and materials	5,436	(3,771)	1,665	1,665	-
Total child study teams	<u>391,918</u>	<u>(32,698)</u>	<u>359,220</u>	<u>358,261</u>	<u>959</u>
Improvement of Instructional Services:					
Salaries of other professional staff	7,878	(2,064)	5,814	5,814	-
Purchased professional - educational services	128,167	3,495	131,662	131,662	-
Other purchased services	12,300	(11,500)	800	800	-
Supplies and materials	-	-	-	-	-
Total improvement of instructional services	<u>148,345</u>	<u>(10,069)</u>	<u>138,276</u>	<u>138,276</u>	<u>-</u>
Educational Media Services/School Library:					
Salaries	500	(500)	-	-	-
Purchased professional & technical services	96,755	-	96,755	96,755	-
Other purchased services	40	-	40	-	40
Supplies and Materials	3,453	(1,491)	1,962	1,420	542
Other objects	240	-	240	-	240
Total educational media services/school library	<u>100,988</u>	<u>(1,991)</u>	<u>98,997</u>	<u>98,175</u>	<u>822</u>
Instructional Staff Training Services:					
Supplies and materials	500	-	500	-	500
Total instructional staff training services	<u>500</u>	<u>-</u>	<u>500</u>	<u>-</u>	<u>500</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Support Services - General Administration:					
Legal services	\$ 10,000	\$ 9,500	\$ 19,500	\$ 16,840	\$ 2,660
Audit fees	25,200	(30)	25,170	25,000	170
Other purchased professional services	88,004	(29,300)	58,704	42,286	16,418
Purchased technical services	3,300	-	3,300	1,100	2,200
Communications / telephone	7,700	-	7,700	5,260	2,440
Misc. purchased services	23,100	4,030	27,130	27,107	23
General Supplies	1,000	-	1,000	297	703
Miscellaneous expenditures	200	-	200	188	12
BOE membership dues and fees	-	-	-	-	-
Total support services - general administration	158,504	(15,800)	142,704	118,078	24,626
Support Services - School Administration:					
Salaries of principals/assist. principal	112,253	-	112,253	112,253	-
Salaries of secretarial and clerical assistants	55,515	-	55,515	55,515	-
Purchased prof. and tech. services	-	1,500	1,500	1,500	-
Other purchased services	2,300	(1,825)	475	-	475
Supplies and materials	3,600	-	3,600	3,229	371
Other objects	1,080	1,800	2,880	2,799	81
Total support services - school administration	174,748	1,475	176,223	175,296	927
Central Services:					
Purchased professional services	107,330	(1,052)	106,278	106,270	8
Purchased technical services	13,550	1,372	14,922	14,918	4
Supplies and materials	1,000	483	1,483	1,482	1
Total central services	121,880	803	122,683	122,670	13
Required Maintenance for School Facilities:					
Cleaning, repair and maintenance services	35,350	19,614	54,964	54,897	67
General Supplies	-	479	479	-	479
Total required maintenance for school facilities	35,350	20,093	55,443	54,897	546
Custodial Services:					
Salaries of Non-Instructional Aides	2,000	(2,000)	-	-	-
Cleaning, repair and maintenance services	238,400	1,730	240,130	216,195	23,935
Other purchased property services	19,000	(561)	18,439	18,438	1
Insurance	31,572	-	31,572	31,572	-
Energy (natural gas)	30,000	1,962	31,962	31,802	160
Energy (Electricity)	66,000	28,215	94,215	93,793	422
Other objects	-	-	-	-	-
Total custodial services	386,972	29,346	416,318	391,800	24,518

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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**OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023**

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Care & Upkeep of Grounds:					
Cleaning, repair & maintenance services	\$ 13,000	\$ -	\$ 13,000	\$ 13,000	\$ -
Total care & upkeep of grounds	<u>13,000</u>	<u>-</u>	<u>13,000</u>	<u>13,000</u>	<u>-</u>
Security:					
General supplies	-	-	-	-	-
Total Security	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operation & maint. of plant services	<u>435,322</u>	<u>49,439</u>	<u>484,761</u>	<u>459,697</u>	<u>25,064</u>
Student Transportation Services:					
Management fee - ESC & CTSA Trans. programs	13,000	10,472	23,472	23,472	-
Contr. serv. (Oth than Bet Home & Sch) - Vend	6,000	(3,900)	2,100	2,044	56
Contr. serv. (Reg. Students) - ESCs & CTSA	2,400	(2,400)	-	-	-
Contr. serv. (Spl. Ed. Students) - ESCs & CTSA	235,000	161,031	396,031	396,031	-
Total student transportation services	<u>256,400</u>	<u>165,203</u>	<u>421,603</u>	<u>421,547</u>	<u>56</u>
Unallocated Benefits - Employee Benefits:					
Social security contributions	15,000	(1,650)	13,350	9,690	3,660
Other retirement contributions - PERS	18,000	-	18,000	17,838	162
Other retirement contributions - regular	1,000	(105)	895	895	895
Unemployment compensation	1,000	-	1,000	71	929
Workmen's compensation	18,000	-	18,000	18,000	-
Health benefits	709,808	(110,559)	599,249	575,030	24,219
Tuition reimbursement	9,000	-	9,000	9,000	9,000
Other employee benefits	5,000	4,000	9,000	5,269	3,731
Unused Sick Payments to Terminated/Retired Staff	-	-	-	-	-
Total unallocated benefits - employee benefits	<u>776,808</u>	<u>(108,314)</u>	<u>668,494</u>	<u>625,898</u>	<u>42,596</u>
On-behalf TPAF pension contr. (non-budgeted)	-	-	-	738,288	(738,288)
On-behalf TPAF post retirement medical (non-budgeted)	-	-	-	193,947	(193,947)
On-behalf TPAF - LTDI (non-budgeted)	-	-	-	300	(300)
Reimbursed TPAF social security contr. (non-budgeted)	-	-	-	176,947	(176,947)
Total Employee Benefits	<u>776,808</u>	<u>(108,314)</u>	<u>668,494</u>	<u>1,735,380</u>	<u>(1,066,886)</u>
Total Undistributed Expenditures	<u>6,715,587</u>	<u>144,524</u>	<u>6,860,111</u>	<u>7,863,174</u>	<u>(1,003,063)</u>
Total General Current Expense	<u>8,841,762</u>	<u>-</u>	<u>8,841,762</u>	<u>9,829,078</u>	<u>(987,316)</u>

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2023

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY:					
Equipment:					
Undistributed Exp. - Non-Instructional Services	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment	-	-	-	-	-
Facilities acquisition and construction services:					
Architectural/Engineering services		-			-
Construction services	132,850	-	132,850	127,850	5,000
Assessment for debt service on SDA funding	1,760	-	1,760	1,760	-
Total fac acq and constr services	134,610	-	134,610	129,610	5,000
Total Capital Outlay	134,610	-	134,610	129,610	5,000
Transfer of funds to Charter Schools	32,742	-	32,742		32,742
TOTAL EXPENDITURES	9,009,114	-	9,009,114	9,958,688	(949,574)
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(335,523)	-	(335,523)	526,594	862,117
Other Financing Sources (Uses):					
Operating transfer out - Special Revenue Fund	(86,140)		(86,140)	(86,140)	
Total Other Financing Sources (Uses):	(86,140)	-	(86,140)	(86,140)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures:	(421,663)	-	(421,663)	440,454	862,117
Fund Balance - July 1	1,976,836		1,976,836	1,976,836	
Fund Balance - June 30	<u>\$ 1,555,173</u>	<u>\$ -</u>	<u>\$ 1,555,173</u>	<u>\$ 2,417,290</u>	<u>\$ 862,117</u>
Recapitulation:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ -	
Capital Reserve				213,839	
Maintenance Reserve				304,402	
Excess Surplus:					
Designated for Subsequent Year's Expenditures				604,313	
Current Year				235,682	
Unemployment Compensation				30,827	
Assigned:					
Year-end encumbrances				9,661	
Designated for Subsequent Year's Expenditures				153,397	
Unassigned				865,169	
				<u>2,417,290</u>	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				(281,536)	
Fund Balance per Government Fund (GAAP)				<u>\$ 2,135,754</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ -	\$ -	\$ -	\$ 16,327	\$ 16,327
State sources	902,020	-	902,020	793,631	(108,389)
Federal sources	253,446	816,884	1,070,330	542,925	(527,405)
Total revenues	<u>1,155,466</u>	<u>816,884</u>	<u>1,972,350</u>	<u>1,352,883</u>	<u>(619,467)</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	439,271	214,787	654,058	506,185	147,873
Purchased prof & tech services	115,580	58,243	173,823	169,719	4,104
Other purchased services	1,000	-	1,000	848	152
Tuition	84,057	15,393	99,450	99,450	-
Supplies and materials	14,000	87,085	101,085	42,933	58,152
Total instruction	<u>653,908</u>	<u>375,508</u>	<u>1,029,416</u>	<u>819,135</u>	<u>210,281</u>
Support services:					
Salaries of program director	102,798	1,560	104,358	104,358	-
Salaries of other professional staff	31,972	82,768	114,740	48,599	66,141
Salaries of community parent involvement spec	-	-	-	-	-
Personal services - employee benefits	196,419	306,416	502,835	283,913	218,922
Purchased prof. - educational services	165,369	45,325	210,694	164,717	45,977
Other purchased services	-	9,185	9,185	974	8,211
Purchased professional services	-	-	-	-	-
Purchased property	-	-	-	-	-
Supplies and materials	5,000	(3,878)	1,122	1,000	122
Student activities	-	-	-	12,533	(12,533)
Total support services	<u>501,558</u>	<u>441,376</u>	<u>942,934</u>	<u>616,094</u>	<u>326,840</u>
Facilities acquisition and const. services:					
Instructional equipment	-	-	-	-	-
Total facilities acq. and const. services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,155,466</u>	<u>816,884</u>	<u>1,972,350</u>	<u>1,435,229</u>	<u>537,121</u>
Other financing sources (uses)					
Transfer in from General Fund	-	-	-	86,140	(86,140)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,140</u>	<u>(86,140)</u>
Total outflows	<u>1,155,466</u>	<u>816,884</u>	<u>1,972,350</u>	<u>1,349,089</u>	<u>623,261</u>
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,794</u>	<u>3,794</u>
Fund Balance, July 1				<u>8,194</u>	
Fund Balance, June 30				<u>\$ 11,988</u>	
Recapitulation:					
Restricted:					
Student Activities				\$ 11,969	
Scholarships				<u>19</u>	
Total Fund Balance				<u>\$ 11,988</u>	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

OAKLYN SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
For the Fiscal Year Ended June 30, 2023

**Explanation of Differences between Budgetary Inflows and Outflows and GAAP
Revenues and Expenditures**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 10,485,282	\$ 1,352,883
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	-
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	282,332	56,041
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(281,536)</u>	<u>(81,588)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 10,486,078</u>	<u>\$ 1,327,336</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 9,958,688	\$ 1,349,089
Differences - budget to GAAP		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	-	<u>86,140</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 9,958,688</u>	<u>\$ 1,435,229</u>

Required Supplementary Information - Part III
Schedules Related to Accounting and Reporting
For Pensions and
Other Post Employment Benefits

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0014201890%	0.0013784285%	0.0013623114%	0.0013050200%	0.0012812200%	0.0011213381%	0.0011039124%	0.0010626570%	0.0037800273%	0.0046460450%
District's proportionate share of the net pension liability (asset)	\$ 213,473	\$ 163,296	\$ 222,157	\$ 235,145	\$ 252,266	\$ 261,030	\$ 326,947	\$ 238,545	\$ 707,724	\$ 887,952
District's covered-employee payroll	111,032	107,588	104,252	101,016	98,588	91,356	89,976	77,688	75,943	77,788
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	192.26%	151.78%	213.10%	232.78%	255.88%	285.73%	363.37%	307.06%	931.91%	1141.50%
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%

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Contractually required contribution	\$ 18,942	\$ 17,838	\$ 16,143	\$ 14,903	\$ 12,694	\$ 12,744	\$ 10,388	\$ 9,807	\$ 9,136	\$ 31,162
Contributions in relation to the contractually required contributions	<u>(18,942)</u>	<u>(17,838)</u>	<u>(16,143)</u>	<u>(14,903)</u>	<u>(12,694)</u>	<u>(12,744)</u>	<u>(10,388)</u>	<u>(9,807)</u>	<u>(9,136)</u>	<u>(31,162)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	111,032	107,588	104,252	101,016	98,588	91,356	89,976	77,688	75,943	77,788
Contributions as a percentage of covered-employee payroll	17.06%	16.58%	15.48%	14.75%	12.88%	13.95%	11.55%	12.62%	12.03%	40.06%

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Ten Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension liability (asset)	0.0175369364%	0.0164264129%	0.0192025269%	0.0236373109%	0.0227836160%	0.0225398375%	0.0234931008%	0.0253835940%	0.0280546567%	0.0276220142%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 9,048,080	\$ 7,897,029	\$ 12,644,633	\$ 14,506,441	\$ 14,494,447	\$ 15,197,171	\$ 18,481,169	\$ 16,043,515	\$ 14,994,301	\$ 13,959,949
Total	\$ 9,048,080	\$ 7,897,029	\$ 12,644,633	\$ 14,506,441	\$ 14,494,447	\$ 15,197,171	\$ 18,481,169	\$ 16,043,515	\$ 14,994,301	\$ 13,959,949
District's covered-employee payroll	2,408,095	2,087,409	2,069,094	1,971,152	1,830,139	2,585,821	2,501,892	2,380,748	2,349,786	2,406,886
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%	33.76%

OAKLYN SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Six Fiscal Years

	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 12,910,309	\$ 15,210,914	\$ 18,025,687	\$ 11,915,232	\$ 15,346,163	\$ 18,484,960
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 12,910,309</u>	<u>\$ 15,210,914</u>	<u>\$ 18,025,687</u>	<u>\$ 11,915,232</u>	<u>\$ 15,346,163</u>	<u>\$ 18,484,960</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability						
Service Cost	\$ 455,750	\$ 487,563	\$ 315,197	\$ 374,293	\$ 457,748	\$ 551,897
Interest	342,137	394,587	422,786	601,579	671,120	584,216
Changes in benefit terms		(16,190)				
Difference between expected and actual experiences	692,839	(3,395,004)	2,384,098	(4,229,540)	(2,110,447)	
Changes of assumptions	(3,463,306)	15,007	3,292,674	177,657	(1,761,049)	(2,390,422)
Member Contributions	10,872	10,088	9,512	10,842	14,182	15,766
Benefit payments	(338,897)	(310,824)	(313,812)	(365,762)	(410,351)	(428,151)
Net Change in total OPEB Liability	\$ (2,300,605)	\$ (2,814,773)	\$ 6,110,455	\$ (3,430,931)	\$ (3,138,797)	\$ (1,666,694)
Total OPEB Liability - beginning	<u>\$ 15,210,914</u>	<u>\$ 18,025,687</u>	<u>\$ 11,915,232</u>	<u>\$ 15,346,163</u>	<u>\$ 18,484,960</u>	<u>\$ 20,151,654</u>
Total OPEB Liability - ending	<u>\$ 12,910,309</u>	<u>\$ 15,210,914</u>	<u>\$ 18,025,687</u>	<u>\$ 11,915,232</u>	<u>\$ 15,346,163</u>	<u>\$ 18,484,960</u>
District's covered-employee payroll	2,519,127	2,194,997	2,173,346	2,072,168	1,928,727	2,677,177
Total OPEB Liability as a percentage of covered-employee payroll	512.49%	692.98%	829.40%	575.01%	795.66%	690.46%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Oaklyn School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2023

Teacher’s Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

Public Employees’ Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed from 2.16% as of June 30, 2021 to 3.54% as of June 30, 2022.

Other Supplementary Information

Special Revenue Fund

OAKLYN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year ended June 30, 2023

	ARP IDEA Basic	ARP IDEA Preschool	ARP ESSER	ARP Accelerated Learning	ARP Beyond the School Day	ARP NJTSS Mental Health	ARP Summer Learning and Enrichment	CRRSA Mental Health	Total Other Prog. (See-E-1A)	Total
REVENUES:										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,327	\$ 16,327
State sources	-	-	-	-	-	-	-	-	793,631	793,631
Federal sources	12,249	1,000	258,472	19,055	5,026	1,877	11,123	12,834	221,289	542,925
Total revenues	12,249	1,000	258,472	19,055	5,026	1,877	11,123	12,834	1,031,247	1,352,883
EXPENDITURES:										
Instruction:										
Salaries of teachers			66,871		2,955	1,877	9,869	6,524	418,089	506,185
Purchased prof & tech services	10,220		47,870						-	58,090
Purchased professional services									111,629	111,629
Other Purchased services									848	848
Tuition									99,450	99,450
General supplies	2,029		360	19,055	1,845			2,910	16,734	42,933
Total instruction	12,249	-	115,101	19,055	4,800	1,877	9,869	9,434	646,750	819,135
Support services:										
Salaries of program director									104,358	104,358
Salaries of other professional staff			30,127						18,472	48,599
Personal services - employee benefits			92,144		226		1,254		190,289	283,913
Purchased prof. - educational services			21,100					3,400	140,217	164,717
Other purchased services									974	974
Purchased prof. services									-	-
Purchased property									-	-
Supplies and materials		1,000							-	1,000
Student activities									12,533	12,533
Total support services	-	1,000	143,371	-	226	-	1,254	3,400	466,843	616,094
Facilities acquisition and const. serv.:										
Instructional equipment									-	-
Total facilities acq. and const. serv.	-	-	-	-	-	-	-	-	-	-
Total expenditures	12,249	1,000	258,472	19,055	5,026	1,877	11,123	12,834	1,113,593	1,435,229
Other financing sources (uses)										
Transfer in from General Fund	-	-	-	-	-	-	-	-	86,140	86,140
Total other financing sources (uses)	-	-	-	-	-	-	-	-	86,140	86,140
Total outflows	12,249	1,000	258,472	19,055	5,026	1,877	11,123	12,834	1,027,453	1,349,089
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	3,794	3,794
Fund Balance, July 1	-	-	-	-	-	-	-	-	8,194	8,194
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,988	\$ 11,988

OAKLYN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures
Budgetary Basis
For the Fiscal Year ended June 30, 2023

	Title I	Title IIA	Title IV	IDEA Basic	IDEA Basic P/Y	IDEA Preschool	Preschool Education Aid	Student Activity Fund	Scholarship Fund	Total
REVENUES:										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,327	\$ -	\$ 16,327
State sources	-	-	-	-	-	-	793,631	-	-	793,631
Federal sources	88,417	16,780	11,969	97,770	1,680	4,673	-	-	-	221,289
Total revenues	88,417	16,780	11,969	97,770	1,680	4,673	793,631	16,327	-	1,031,247
EXPENDITURES:										
Instruction:										
Salaries of teachers	57,388									418,089
Purchased prof & tech services										-
Purchased professional services							111,629			111,629
Other purchased services							848			848
Tuition				97,770	1,680					99,450
General supplies	1,260		11,969				3,505			16,734
Total instruction	58,648	-	11,969	97,770	1,680	-	476,683	-	-	646,750
Support services:										
Salaries of program director							104,358			104,358
Salaries of other professional staff							18,472			18,472
Personal services - employee benefits	29,769						160,520			190,289
Purchased prof. - educational services		15,806				4,673	119,738			140,217
Other purchased services		974								974
Purchased prof. services										-
Purchased property										-
Supplies and materials										-
Student activities								12,533		12,533
Total support services	29,769	16,780	-	-	-	4,673	403,088	12,533	-	466,843
Facilities acquisition and const. serv.:										
Instructional equipment										-
Total facilities acq. and const. serv.	-	-	-	-	-	-	-	-	-	-
Total expenditures	88,417	16,780	11,969	97,770	1,680	4,673	879,771	12,533	-	1,113,593
Other financing sources (uses)										
Transfer in from General Fund	-	-	-	-	-	-	86,140			86,140
Total other financing sources (uses)	-	-	-	-	-	-	86,140	-	-	86,140
Total outflows	88,417	16,780	11,969	97,770	1,680	4,673	793,631	12,533	-	1,027,453
Excess (deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	3,794	-	3,794
Fund Balance, July 1	-	-	-	-	-	-	-	8,175	19	8,194
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,969	\$ 19	\$ 11,988

**Oaklyn School District
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - All Programs
Budgetary Basis
For the Fiscal Year Ended June 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$ 373,576	\$ (1,560)	\$ 372,016	\$ 360,701	\$ 11,315
Purchased professional & technical services	115,580	-	115,580	111,629	3,951
Other purchased services (400-500 series)	1,000	-	1,000	848	152
General supplies	4,000	-	4,000	3,505	495
Total instruction	<u>494,156</u>	<u>(1,560)</u>	<u>492,596</u>	<u>476,683</u>	<u>15,913</u>
Support services:					
Salaries of program directors	102,798	1,560	104,358	104,358	-
Salaries of other professional staff	18,472	-	18,472	18,472	-
Personal services - employee benefits	166,856	-	166,856	160,520	6,336
Purchased professional - educational services	119,738	-	119,738	119,738	-
Total support services	<u>407,864</u>	<u>1,560</u>	<u>409,424</u>	<u>403,088</u>	<u>6,336</u>
Facilities acquisition and cont. serv:					
Instructional equipment					-
Total facilities acquisition and cont. serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 902,020</u>	<u>\$ -</u>	<u>\$ 902,020</u>	<u>\$ 879,771</u>	<u>\$ 22,249</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2022-23 PreK Aid Allocation	\$ 815,880
Add: Actual PreK/ECPA Aid Carryover June 30, 2022	-
Add: Budgeted Transfer From General Fund	86,140
Total Funds Available for 2021-22 Budget	<u>902,020</u>
Less: 2022-23 Budgeted PreK/ECPA (Including prior year budgeted carryover)	<u>(902,020)</u>
Available & Unbudgeted Funds as of June 30, 2023	-
Add: June 30, 2023 Unexpended PreK Aid	22,249
2023 - Actual Carryover - PreK Aid	<u>\$ 22,249</u>
2022-23 PreK Aid Carryover Budgeted in 2023-24	<u>\$ -</u>

Oaklyn School District
Special Revenue Fund
Schedule of Preschool Education Aid Expenditures
Preschool - Full Day 3yr & 4 yr - Regular
Budgetary Basis
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of teachers	\$ 373,576	\$ (1,560)	\$ 372,016	\$ 360,701	\$ 11,315
Purchased professional & technical services	115,580		115,580	111,629	3,951
Other purchased services (400-500 series)	1,000		1,000	848	152
General supplies	4,000		4,000	3,505	495
Total instruction	<u>494,156</u>	<u>(1,560)</u>	<u>492,596</u>	<u>476,683</u>	<u>15,913</u>
Support services:					
Salaries of program directors	102,798	1,560	104,358	104,358	-
Salaries of other professional staff	18,472		18,472	18,472	-
Personal services - employee benefits	166,856		166,856	160,520	6,336
Purchased professional - educational services	119,738		119,738	119,738	-
Total support services	<u>407,864</u>	<u>1,560</u>	<u>409,424</u>	<u>403,088</u>	<u>6,336</u>
Facilities acquisition and cont. serv:					
Instructional equipment	-	-	-	-	-
Total facilities acquisition and cont. serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total program expenditures	<u>\$ 902,020</u>	<u>\$ -</u>	<u>\$ 902,020</u>	<u>\$ 879,771</u>	<u>\$ 22,249</u>

Capital Projects Fund
Detail Statements

OAKLYN SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year ended June 30, 2023

Revenues and Other Financing Sources:

Proceeds of Serial Bonds	\$	-
Transfer from Capital Projects Fund		-
Earnings on investments		204
Total revenues and other financing sources		204

Expenditures and Other Financing (Uses):

Purchased professional services		
Construction services		
Transfer to Debt Service Fund		204
Total expenditures and other financing (uses)		204

Excess (deficiency) or revenues over (under) expenditures -

Fund Balance - July 1, 2022 51,196

Fund Balance - June 30, 2023 \$ 51,196

OAKLYN SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Construction and Various Improvements to the District's Facilities
From Inception and for the Fiscal Year ended June 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources:				
Bond proceeds	\$ 3,400,000	\$ -	\$ 3,400,000	\$ 3,400,000
Transfer from Capital Reserve	588,800	-	588,800	588,800
	<u>3,988,800</u>	<u>-</u>	<u>3,988,800</u>	<u>3,988,800</u>
Expenditures and Other Financing Uses:				
Purchased professional services	\$ 351,424	\$ -	\$ 351,424	\$ 351,424
Construction services	3,586,180	-	3,586,180	3,586,180
	<u>3,937,604</u>	<u>-</u>	<u>3,937,604</u>	<u>3,937,604</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 51,196</u>	<u>\$ -</u>	<u>\$ 51,196</u>	<u>\$ 51,196</u>
Additional project information:				
Bond Authorization Date	9/24/2019			
Bonds Authorized	\$ 3,400,000			
Bonds Issued	\$ 3,400,000			
Transfer from Capital Reserve	\$ 588,800			
Original Authorized Cost	\$ 3,988,800			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 3,988,800			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	47.00%			
Original target completion date	10/31/20			
Revised target completion date	N/A			

OAKLYN SCHOOL DISTRICT
Capital Projects Fund
 Summary Statement of Project Expenditures
 Year Ended June 30, 2023

Issue/Project Title	Appropriations	<u>Expenditures to Date</u>		Total	Balance
		Prior Years	Current Year		
Construction and Various Improvements to the District's Facilities	\$ 3,988,800	\$ 3,937,604	\$ -	\$ 3,937,604	\$ 51,196
	<u>\$ 3,988,800</u>	<u>\$ 3,937,604</u>	<u>\$ -</u>	<u>\$ 3,937,604</u>	<u>\$ 51,196</u>

Proprietary Funds

OAKLYN SCHOOL DISTRICT
Enterprise Funds
Statement of Net Position
June 30, 2023

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service Fund	Shared Services
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$ 123,194	\$ 11,764
Accounts receivable:		
State	170	-
Federal	5,939	-
Other	1,393	-
Inventories	7,067	-
Total Current Assets	137,763	11,764
Noncurrent Assets:		
Equipment	340,451	-
Less - accumulated depreciation	(145,999)	-
Total Noncurrent Assets	194,452	-
Total Assets	332,215	11,764
LIABILITIES:		
Current Liabilities:		
Accounts payable	6,849	-
Interfund payable	23,421	11,764
Unearned revenue	1,149	-
Total Current Liabilities	31,419	11,764
NET POSITION:		
Net investment in capital assets	194,452	-
Unrestricted	106,344	-
Total Net Position	\$ 300,796	\$ -

OAKLYN SCHOOL DISTRICT
Enterprise Funds
Statement of Revenues, Expenses
and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service Fund	Shared Services
Operating Revenues:		
Charges for Services:		
Daily sales reimbursable programs:		
School lunch	\$ 22,892	\$ -
School breakfast	2,447	-
Daily sales non-reimbursable programs		
Adult and a la carte sales	17,645	-
Miscellaneous	11,421	34,534
	54,405	34,534
Total Operating Revenues	54,405	34,534
Operating Expenses:		
Salaries	69,880	22,770
Employee benefits	21,063	11,764
Supplies and materials	5,583	-
Management fee	16,378	-
Repairs and maintenance	209	-
Other costs	6,782	-
Depreciation	19,651	-
Cost of sales - reimburseable programs	66,226	-
Cost of sales - nonreimburseable programs	13,409	-
	219,181	34,534
Total Operating Expenses	219,181	34,534
Operating Income (Loss)	(164,776)	-
Non-Operating Revenues (Expenses):		
State sources:		
State school lunch program	1,847	-
State school breakfast program	486	-
Federal sources:		
National school lunch program	52,774	-
National school breakfast program	29,433	-
After school snacks	71	-
Supply chain assistance	26,390	-
Food distribution program	21,993	-
Interest earned	359	-
	133,353	-
Total Non-Operating Revenues (Expenses)	133,353	-
Changes in Net Position	(31,423)	-
Net Position - July 1, 2022	332,219	-
Net Position - June 30, 2023	\$ 300,796	\$ -

OAKLYN SCHOOL DISTRICT
Enterprise Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2023

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Food Service Fund	Shared Services
Cash Flows from Operating Activities:		
Cash receipts from customers	\$ 51,986	\$ 34,534
Cash payments to employees for services	(63,235)	(38,947)
Cash payments to suppliers for goods and services	(94,512)	-
Net cash provided by (used for) operating activities	(105,761)	(4,413)
Cash Flows from Noncapital Financing Activities:		
Cash received from state sources	2,503	-
Cash received from federal sources	124,284	-
Net cash provided by noncapital financing activities	126,787	-
Cash Flows Used by Capital and Related Financing Activities:		
Purchase of equipment	-	-
Cash Flow Provided by Investing Activities:		
Interest on cash equivalents	359	-
Net increase (decrease) in cash and cash equivalents	21,385	(4,413)
Cash and cash equivalents - July 1, 2022	101,809	16,177
Cash and cash equivalents - June 30, 2023	\$ 123,194	\$ 11,764
Reconciliation of Operating Income (Loss) to Net Cash provided by (used for)		
Operating Activities:		
Operating income (loss)	\$ (164,776)	\$ -
Adjustments to reconcile operating income (loss) to cash provided by (used for) operating activities:		
Depreciation	19,651	-
Commodities	21,993	-
Change in assets and liabilities:		
(Increase) decrease in accounts receivables	(1,393)	-
(Increase) decrease in inventories	2,419	-
Increase (decrease) in accounts payable	(7,511)	-
Increase (decrease) in interfund payable	23,421	(4,413)
Increase (decrease) in unearned revenue	435	-
Net cash provided by (used for) operating activities	\$ (105,761)	\$ (4,413)

Long-Term Debt Schedules

OAKLYN SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2023

Issue	Date of Issue	Amount of Issue	Annual Maturities		Rate of Interest	Balance June 30, 2022	Issued	Retired	Balance June 30, 2023
			Date	Amount					
School Bonds	11/26/2019	\$ 14,775,000	9/15/2023	\$ 140,000	2.000%	\$ 3,165,000	\$ -	\$ 140,000	\$ 3,025,000
			9/15/2024	145,000	2.000%				
			9/15/2025	150,000	2.750%				
			9/15/2026	155,000	2.750%				
			9/15/2027	160,000	2.750%				
			9/15/2028	165,000	2.750%				
			9/15/2029	170,000	2.750%				
			9/15/2030	175,000	2.750%				
			9/15/2031	180,000	2.750%				
			9/15/2032	190,000	2.750%				
			9/15/2033	195,000	2.750%				
			9/15/2034	200,000	2.750%				
			9/15/2035	200,000	2.750%				
			9/15/2036	200,000	2.750%				
			9/15/2037	200,000	2.750%				
			9/15/2038	200,000	2.750%				
			9/15/2039	200,000	2.750%				
						<u>\$ 3,165,000</u>	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ 3,025,000</u>

**OAKLYN SCHOOL DISTRICT
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2023**

Purpose	Interest Rate Payable	Maturity Date	Balance 6/30/2022	Issued	Retired	Balance 6/30/2023
Copiers	4.00%	4/1/2025	\$ 20,373	\$ -	\$ 6,929	\$ 13,444
Copiers	4.00%	8/1/2025	11,644		3,519	8,125
Postage Meter	3.00%	5/1/2027	4,280		851	3,429
			<u>\$ 36,297</u>	<u>\$ -</u>	<u>\$ 11,299</u>	<u>\$ 24,998</u>

OAKLYN SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 144,835	\$ -	\$ 144,835	\$ 144,835	\$ -
Total Revenues - local sources	144,835	-	144,835	144,835	-
State sources:					
State aid	75,633		75,633	75,633	
Total revenues - state sources	75,633	-	75,633	75,633	
Total Revenues	220,468	-	220,468	220,468	
EXPENDITURES:					
Regular debt service:					
Redemption of principal	140,000		140,000	140,000	
Interest	82,450		82,450	82,450	
Total regular debt service	222,450	-	222,450	222,450	-
Excess (Deficiency) of revenues over (under) expenditures	(1,982)		(1,982)	(1,982)	
Other Financing Sources:					
Operating transfers in	-			204	204
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(1,982)	-	(1,982)	(1,778)	204
Fund Balance - July 1,	2,035	-	2,035	2,035	-
Fund Balance - June 30,	\$ 53	\$ -	\$ 53	\$ 257	\$ 204

Statistical Section

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

EXHIBIT J-1

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Invested in capital assets, net of related debt	\$ 1,180,300	\$ 1,000,072	\$ 958,984	\$ 1,204,524	\$ 1,349,597	\$ 1,597,741	\$ (1,789,682)	\$ 1,743,416	\$ 1,916,679	\$ 1,913,294
Restricted for:										
Special revenue	-	-	-	-	-	-	-	9,120	8,194	11,988
Capital projects	-	-	-	-	-	-	-	468,732	397,015	265,035
Debt service	-	-	-	-	-	-	-	12,816	2,035	257
Other purposes	298,218	606,250	1,114,021	1,538,023	1,714,671	1,740,359	3,308,010	697,624	1,080,955	1,175,224
Unrestricted	(84,773)	(900,005)	(865,994)	(700,193)	(626,257)	(502,660)	(369,127)	(98,212)	(128,089)	341,121
Total governmental activities net position	\$ 1,393,745	\$ 706,317	\$ 1,207,011	\$ 2,042,354	\$ 2,438,011	\$ 2,835,440	\$ 1,149,201	\$ 2,833,496	\$ 3,276,789	\$ 3,706,919
Business-type activities:										
Invested in capital assets, net of related debt	\$ -	\$ 30,347	\$ 24,471	\$ 44,851	\$ 39,221	\$ 54,640	\$ 53,178	\$ 162,626	\$ 214,103	\$ 194,452
Unrestricted	62,020	74,687	76,258	76,059	82,821	54,128	50,831	64,828	118,116	106,344
Total business-type activities net position	\$ 62,020	\$ 105,034	\$ 100,729	\$ 120,910	\$ 122,042	\$ 108,768	\$ 104,009	\$ 227,454	\$ 332,219	\$ 300,796
District-wide:										
Invested in capital assets, net of related debt	\$ 1,180,300	\$ 1,030,419	\$ 983,455	\$ 1,249,375	\$ 1,388,818	\$ 1,652,381	\$ (1,736,504)	\$ 1,906,042	\$ 2,130,782	\$ 2,107,746
Restricted:										
Special revenue	-	-	-	-	-	-	-	9,120	8,194	11,988
Capital reserve	-	-	-	-	-	-	-	468,732	397,015	265,035
Debt service	-	-	-	-	-	-	-	12,816	2,035	257
Other purposes	298,218	606,250	1,114,021	1,538,023	1,714,671	1,740,359	3,308,010	697,624	1,080,955	1,175,224
Unrestricted	(22,753)	(825,318)	(789,736)	(624,134)	(543,436)	(448,532)	(318,296)	(33,384)	(9,973)	447,465
Total district net position	\$ 1,455,765	\$ 811,351	\$ 1,307,740	\$ 2,163,264	\$ 2,560,053	\$ 2,944,208	\$ 1,253,210	\$ 3,060,950	\$ 3,609,008	\$ 4,007,715

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

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	<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>
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 1,847,021	\$ 1,952,554	\$ 1,845,935	\$ 1,800,295	\$ 1,950,285	\$ 1,501,012	\$ 1,942,908	\$ 1,905,838	\$ 2,157,530	\$ 2,179,175
Special education	527,532	553,821	555,701	691,559	670,737	522,911	404,868	427,006	426,683	525,482
Other instruction	221,245	169,344	232,312	237,233	255,465	190,524	208,899	207,629	222,243	266,162
Support Services:										
Tuition	2,094,612	2,102,218	1,589,400	1,177,942	1,425,888	2,937,061	3,668,808	3,663,587	3,436,177	3,634,640
Student & instruction related services	777,675	793,141	987,706	1,045,735	1,151,253	1,075,512	999,778	1,231,832	1,543,193	1,528,047
General and business administrative services	268,240	175,565	216,362	169,478	193,891	188,229	174,846	236,123	150,538	263,351
School administrative services	168,761	281,745	315,537	332,805	341,276	135,129	158,518	159,404	279,305	175,296
Plant operations and maintenance	488,857	473,347	474,837	564,487	522,818	533,510	2,210,431	557,620	388,444	517,899
Pupil transportation	144,970	170,406	172,123	151,934	132,973	151,524	250,232	75,418	240,829	421,547
Employee benefits	1,375,200	1,337,229	1,327,448	1,463,518	1,610,839	2,624,961	1,905,559	2,352,312	1,893,981	1,787,332
Special schools	-	-	1,728	2,728	1,728	12,306	108	-	-	-
Transfer of funds to charter school	23,495	32,542	54,648	56,933	29,888	10,866	11,110	34,437	30,214	-
Interest on long-term debt	-	-	-	-	-	-	-	132,392	84,638	88,621
Unallocated depreciation	2,395	6,266	1,265	951	1,068	1,384	1,562	3,295	5,201	5,419
Total governmental activities expenses	<u>7,940,003</u>	<u>8,048,178</u>	<u>7,775,002</u>	<u>7,695,598</u>	<u>8,288,109</u>	<u>9,884,929</u>	<u>11,937,627</u>	<u>10,986,893</u>	<u>10,858,976</u>	<u>11,392,971</u>
Business-type activities:										
Food service	232,572	219,021	242,204	242,234	236,479	179,111	152,332	235,569	231,507	219,181
Total business-type activities expense	<u>232,572</u>	<u>219,021</u>	<u>242,204</u>	<u>242,234</u>	<u>236,479</u>	<u>179,111</u>	<u>152,332</u>	<u>235,569</u>	<u>231,507</u>	<u>219,181</u>
Total district expenses	<u>\$ 8,172,575</u>	<u>\$ 8,267,199</u>	<u>\$ 8,017,206</u>	<u>\$ 7,937,832</u>	<u>\$ 8,524,588</u>	<u>\$ 10,064,040</u>	<u>\$ 12,089,959</u>	<u>\$ 11,222,462</u>	<u>\$ 11,090,483</u>	<u>\$ 11,612,152</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ 413,291	\$ 27,733	\$ 17,237	\$ 9,362	\$ 12,000	\$ -	\$ -	\$ 39,634	\$ -	\$ 23,396
Operating grants and contributions	749,920	782,289	834,128	912,610	1,010,996	2,581,814	2,419,565	4,234,246	2,615,522	2,225,833
Total governmental activities program revenues	<u>1,163,211</u>	<u>810,022</u>	<u>851,365</u>	<u>921,972</u>	<u>1,022,996</u>	<u>2,581,814</u>	<u>2,419,565</u>	<u>4,273,880</u>	<u>2,615,522</u>	<u>2,249,229</u>

(Continued)

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

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services:										
Food service	\$ 145,021	\$ 136,218	\$ 140,270	\$ 155,306	\$ 147,180	\$ 102,607	\$ 74,441	\$ 78,783	\$ 1,069	\$ 54,405
Operating grants and contributions	105,537	93,845	97,465	91,475	90,225	62,837	73,132	299,912	302,779	132,994
Capital grants and contributions	-	-	-	15,493	-	-	-	-	-	-
Total business type activities program revenues	<u>250,558</u>	<u>230,063</u>	<u>237,735</u>	<u>262,274</u>	<u>237,405</u>	<u>165,444</u>	<u>147,573</u>	<u>378,695</u>	<u>303,848</u>	<u>187,399</u>
Total district program revenues	<u>\$ 1,413,769</u>	<u>\$ 1,040,085</u>	<u>\$ 1,089,100</u>	<u>\$ 1,184,246</u>	<u>\$ 1,260,401</u>	<u>\$ 2,747,258</u>	<u>\$ 2,567,138</u>	<u>\$ 4,652,575</u>	<u>\$ 2,919,370</u>	<u>\$ 2,436,628</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (6,776,792)	\$ (7,238,156)	\$ (6,923,637)	\$ (6,773,626)	\$ (7,265,113)	\$ (7,303,115)	\$ (9,518,062)	\$ (6,713,013)	\$ (8,243,454)	\$ (9,143,742)
Business-type activities	17,986	11,042	(4,469)	20,040	926	(13,667)	(4,759)	143,126	72,341	(31,782)
Total district-wide net expense	<u>\$ (6,758,806)</u>	<u>\$ (7,227,114)</u>	<u>\$ (6,928,106)</u>	<u>\$ (6,753,586)</u>	<u>\$ (7,264,187)</u>	<u>\$ (7,316,782)</u>	<u>\$ (9,522,821)</u>	<u>\$ (6,569,887)</u>	<u>\$ (8,171,113)</u>	<u>\$ (9,175,524)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 4,452,813	\$ 4,664,481	\$ 4,786,706	\$ 4,882,440	\$ 4,980,089	\$ 5,079,691	\$ 5,192,649	\$ 5,388,414	\$ 5,469,240	\$ 5,603,625
Taxes levied for debt service	-	-	-	-	-	-	-	141,479	134,498	144,835
Unrestricted grants and contributions	2,454,574	2,643,199	2,624,865	2,682,776	2,662,103	2,605,907	2,523,835	2,741,621	2,999,417	3,742,357
Miscellaneous income	23,857	95,993	12,760	43,753	18,578	14,946	115,339	89,435	83,592	83,055
Total governmental activities	<u>6,931,244</u>	<u>7,403,673</u>	<u>7,424,331</u>	<u>7,608,969</u>	<u>7,660,770</u>	<u>7,700,544</u>	<u>7,831,823</u>	<u>8,360,949</u>	<u>8,686,747</u>	<u>9,573,872</u>
Business-type activities:										
Investment earnings	96	132	164	-	206	393	-	182	95	359
Gain(Loss) on disposal of assets	-	-	-	-	-	-	-	(19,863)	32,329	-
Total business-type activities	<u>96</u>	<u>132</u>	<u>164</u>	<u>-</u>	<u>206</u>	<u>393</u>	<u>-</u>	<u>(19,681)</u>	<u>32,424</u>	<u>359</u>
Total district-wide	<u>\$ 6,931,340</u>	<u>\$ 7,403,805</u>	<u>\$ 7,424,495</u>	<u>\$ 7,608,969</u>	<u>\$ 7,660,976</u>	<u>\$ 7,700,937</u>	<u>\$ 7,831,823</u>	<u>\$ 8,341,268</u>	<u>\$ 8,719,171</u>	<u>\$ 9,574,231</u>
Change in Net Position:										
Governmental activities	\$ 154,452	\$ 165,517	\$ 500,694	\$ 835,343	\$ 395,657	\$ 397,429	\$ (1,686,239)	\$ 1,647,936	\$ 443,293	\$ 430,130
Business-type activities	18,082	11,174	(4,305)	20,040	1,132	(13,274)	(4,759)	123,445	104,765	(31,423)
Total district-wide	<u>\$ 172,534</u>	<u>\$ 176,691</u>	<u>\$ 496,389</u>	<u>\$ 855,383</u>	<u>\$ 396,789</u>	<u>\$ 384,155</u>	<u>\$ (1,690,998)</u>	<u>\$ 1,771,381</u>	<u>\$ 548,058</u>	<u>\$ 398,707</u>

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

EXHIBIT J-3

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted for:										
Year-end Encumbrances	\$ 58,043	\$ 3,378	\$ 13,250	\$ 17,452	\$ -	\$ -	\$ 7,777	\$ 30,475	\$ 8,225	\$ 9,661
Capital reserve	-	100,000	300,000	627,302	724,701	745,298	157,280	417,536	345,819	213,839
Maintenance reserve	58,000	158,000	258,000	258,000	258,000	221,590	205,581	302,918	303,192	304,402
Future tuition payments	-	-	-	-	128,000	278,000	150,000	-	-	-
Unemployment compensation	-	-	-	-	-	-	-	30,826	30,827	30,827
Excess surplus	91,337	253,457	262,762	358,568	212,404	473,721	221,257	142,623	604,313	839,995
Designated for subsequent year's budget	90,838	91,415	280,009	276,701	391,566	21,750	302,319	281,063	281,063	153,397
Unassigned	7,451	33,819	16,648	26,743	9,328	29,526	58,585	201,432	121,065	583,633
Total general fund	<u>\$ 305,669</u>	<u>\$ 640,069</u>	<u>\$ 1,130,669</u>	<u>\$ 1,564,766</u>	<u>\$ 1,723,999</u>	<u>\$ 1,769,885</u>	<u>\$ 1,102,799</u>	<u>\$ 1,406,873</u>	<u>\$ 1,694,504</u>	<u>\$ 2,135,754</u>
All Other Governmental Funds										
Restricted for:										
Year-end Encumbrances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,173,405	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	(10,956)	(1,597)	(47,847)	(69,600)
Capital projects fund	-	-	-	-	-	-	90,513	51,196	51,196	51,196
Debt service fund	-	-	-	-	-	-	10,834	12,816	2,035	257
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,263,796</u>	<u>\$ 62,415</u>	<u>\$ 5,384</u>	<u>\$ (18,147)</u>

Oaklyn School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-4

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax levy	\$ 4,452,813	\$ 4,664,481	\$ 4,786,706	\$ 4,882,440	\$ 4,980,089	\$ 5,079,691	\$ 5,192,649	\$ 5,529,893	\$ 5,603,738	\$ 5,748,460
Tuition charges	413,291	27,733	17,237	26,064	22,981	-	46,723	39,634	10,365	23,396
Interest earnings	-	-	-	-	-	-	-	-	619	2,080
Miscellaneous	23,857	95,993	12,760	27,051	7,597	14,946	68,616	89,435	72,608	80,975
Local sources	-	-	-	-	-	-	-	1,908	1,849	16,327
State sources	2,922,401	3,156,190	3,197,215	3,301,770	3,398,143	3,795,335	4,017,995	4,309,229	4,616,446	5,587,294
Federal sources	282,093	269,298	261,778	293,616	274,956	230,792	283,157	362,214	891,787	575,554
Total revenue	8,094,455	8,213,695	8,275,696	8,530,941	8,683,766	9,120,764	9,609,140	10,332,313	11,197,412	12,034,086
Expenditures										
Instruction										
Regular Instruction	1,796,879	1,830,102	1,774,953	1,840,629	1,900,364	1,464,790	1,770,286	1,775,740	2,001,492	1,993,395
Special education instruction	527,532	553,821	555,701	691,559	670,737	522,911	404,868	427,006	426,683	525,482
Other instruction	221,245	169,344	232,312	237,233	255,465	190,524	208,899	207,629	222,243	266,162
Support Services:										
Tuition	2,094,612	2,102,218	1,589,400	1,177,942	1,425,888	2,937,061	3,668,808	3,663,587	3,436,177	3,634,640
Student & instruction related services	777,675	793,141	987,706	1,045,735	1,151,253	1,075,512	999,778	1,231,832	1,543,193	1,528,047
General and business admin. services	261,056	162,048	212,568	165,674	189,617	182,694	168,597	222,943	243,161	240,748
School administrative services	168,761	281,745	315,537	332,805	341,276	135,129	158,518	159,404	165,070	175,296
Plant operations and maintenance	465,397	428,290	469,930	508,747	492,208	497,369	490,351	516,432	501,358	459,697
Pupil transportation	144,970	170,406	172,123	151,934	132,973	151,524	250,232	75,418	240,829	421,547
Other support services	1,375,200	1,353,878	1,416,730	1,547,981	1,717,383	1,558,016	1,489,636	1,522,708	1,815,408	2,019,293
Special schools	-	-	1,728	2,728	1,728	12,306	108	-	-	-
Capital outlay	1,760	1,760	1,760	336,944	215,753	336,176	1,791,239	2,214,482	120,784	129,610
Transfer to Charter School	23,495	32,542	54,648	56,933	29,888	10,866	11,110	34,437	30,214	-
Debt service:										
Principal	-	-	-	-	-	-	-	100,000	135,000	140,000
Interest and other charges	-	-	-	-	-	-	-	114,361	85,200	82,450
Total expenditures	7,858,582	7,879,295	7,785,096	8,096,844	8,524,533	9,074,878	11,412,430	12,265,979	10,966,812	11,616,367
Excess (Deficiency) of revenues over (under) expenditures	235,873	334,400	490,600	434,097	159,233	45,886	(1,803,290)	(1,933,666)	230,600	417,719
Other Financing sources (uses)										
Bond proceeds	-	-	-	-	-	-	3,400,000	-	-	-
Transfers in	-	-	-	-	-	-	718,831	72,434	85,248	86,344
Transfers out	-	-	-	-	-	-	(718,831)	(72,434)	(85,248)	(86,344)
Total other financing sources (uses)	-	-	-	-	-	-	3,400,000	-	-	-
Net change in fund balances	\$ 235,873	\$ 334,400	\$ 490,600	\$ 434,097	\$ 159,233	\$ 45,886	\$ 1,596,710	\$ (1,933,666)	\$ 230,600	\$ 417,719
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.13%	2.03%	1.94%

Source: District records

Oaklyn School District
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

EXHIBIT J-5

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Tuition</u>	<u>Donations</u>	<u>Prior Year Refunds</u>	<u>Rentals</u>	<u>E-Rate</u>	<u>Sale of Asset</u>	<u>Miscellaneous</u>	<u>Total</u>
2014	\$ 2,033	\$ 413,291	\$ -	\$ 20,624	\$ 1,200	\$ -	\$ -	\$ -	\$ 437,148
2015	2,337	27,733	-	8,125	1,100	-	83,782	649	123,726
2016	3,428	17,237	-	9,325	-	-	-	7	29,997
2017	4,303	26,064	-	20,675	1,550	-	-	523	53,115
2018	6,540	22,981	-	832	-	-	-	225	30,578
2019	11,721	-	-	528	-	-	-	2,697	14,946
2020	8,156	46,723	-	47,821	-	-	-	-	102,700
2021	2,675	39,634	-	40,382	39,946	-	-	-	122,637
2022	1,356	10,365	-	7,313	42,521	10,826	-	11,158	83,539
2023	6,204	23,396	-	30,326	44,241	-	-	-	104,167
	<u>\$ 48,753</u>	<u>\$ 627,424</u>	<u>\$ -</u>	<u>\$ 185,951</u>	<u>\$ 130,558</u>	<u>\$ 10,826</u>	<u>\$ 83,782</u>	<u>\$ 15,259</u>	<u>\$ 1,102,553</u>

Source: District records

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

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized) Value
2014	\$ 941,800	\$ 218,044,600	\$ 24,478,400	\$ 262,600	\$ 13,476,600	\$ 257,204,000		\$ 257,204,000	\$ 23,400,900	\$ 1.813	\$ 280,588,536
2015	1,060,800	217,896,700	23,211,400	262,600	13,203,500	255,635,000		255,635,000	23,416,100	1.872	283,527,565
2016	1,130,800	216,850,500	22,626,600	262,600	13,203,500	254,074,000		254,074,000	23,757,900	1.921	279,227,621
2017	1,123,300	216,706,700	22,392,300	262,600	13,203,500	253,688,400		253,688,400	23,916,800	1.963	271,050,008
2018	1,143,600	215,765,600	22,115,000	262,600	13,203,500	252,490,300		252,490,300	24,387,900	2.011	273,438,717
2019	1,303,800	215,558,600	21,516,300	262,600	13,203,500	251,844,800		251,844,800	24,408,700	2.062	279,917,559
2020	1,078,800	216,632,700	21,393,800	262,600	13,119,100	252,487,000		252,487,000	24,024,800	2.190	284,923,385
2021	1,068,200	217,054,800	21,294,800	262,600	13,119,100	252,799,500		252,799,500	24,169,600	2.217	286,260,608
2022	1,170,700	217,841,400	20,737,600	262,600	12,808,000	252,820,300		252,820,300	25,675,600	2.274	303,596,796
2023	1,953,700	219,007,400	19,634,100	262,600	12,644,900	253,502,700		253,502,700	26,161,300	2.422	345,109,335

Source:
 Municipal Tax Assessor

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

- a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies
- b Tax rates are per \$100 of assessed valuation.
- c Not Available.
- R Revaluation.

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

EXHIBIT J-7

Fiscal Year Ended June 30,	Oaklyn School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Borough of Oaklyn	Camden County	
2013	\$ 1.722	\$ -	\$ 1.722	\$ 1.286	\$ 0.862	\$ 3.870
2014	1.813	-	1.813	1.326	0.930	4.069
2015	1.872	-	1.872	1.383	0.972	4.227
2016	1.921	-	1.921	1.413	0.973	4.307
2017	1.963	-	1.963	1.441	0.953	4.357
2018	2.011	-	2.011	1.492	0.946	4.449
2019	2.062	-	2.062	1.494	0.964	4.520
2020	2.130	0.060	2.190	1.522	0.959	4.671
2021	2.167	0.050	2.217	1.567	0.956	4.740
2022	2.214	0.060	2.274	1.626	0.941	4.841
2023	2.365	0.057	2.422	1.696	0.979	5.097

Source: Municipal Tax Collector

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

EXHIBIT J-8

<u>Taxpayer</u>	<u>2023</u>		<u>Taxpayer</u>	<u>2013</u>	
	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>
2 Oaklyn Properties, LLC	\$ 2,314,200	0.91%	Oaklyn Associates	\$ 1,650,000	0.64%
Everall LLC	1,128,600	0.45%	Peter and Joan Corelli	1,072,300	0.41%
Castle Lynne LLC	1,100,000	0.43%	Allan & Sandra Vogelsson	768,000	0.30%
Oaklyn Equities, LLC - CVS	1,025,000	0.40%	White Oak Manor, LLC	750,000	0.29%
JBMatthey Holdings LLC	988,100	0.39%	Oaklyn Equities, LLC - CVS	730,000	0.28%
TD Bank	900,000	0.36%	BK WHP Realty, LLC	676,100	0.26%
Castle Oaks Apts LLC	844,700	0.33%	TD Bank	600,700	0.23%
Catherine Mitchell Real Estate Assoc	818,300	0.32%	HRE Gas, LLC	543,200	0.21%
Oaklyn Development Group, LLC	808,600	0.32%	Catherine Mitchell Real Estate Assoc	503,700	0.19%
814 White Horse Pike Assoc., LLC	738,900	0.29%	James Saultz	473,800	0.18%
Total	\$ 10,666,400	4.21%	Total	\$ 7,767,800	3.01%

Source: Municipal Tax Assessor

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

EXHIBIT J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 4,452,813	\$ 4,452,813	100.00%	-
2015	4,664,481	4,664,481	100.00%	-
2016	4,786,706	4,786,706	100.00%	-
2017	4,882,440	4,882,440	100.00%	-
2018	4,980,089	4,980,089	100.00%	-
2019	5,079,691	5,079,691	100.00%	-
2020	5,192,649	5,192,649	100.00%	-
2021	5,529,893	5,529,893	100.00%	-
2022	5,603,738	5,603,738	100.00%	-
2023	5,748,460	5,748,460	100.00%	-

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

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

Oaklyn School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

EXHIBIT J-10

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^b	Per Capita ^c
	General Obligation Bonds ^a	Financed Purchases/ Leases			
2014	\$ -	\$ -	\$ -	\$ -	\$ -
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	3,400,000	-	3,400,000	1.46%	862
2021	3,300,000	46,012	3,346,012	1.39%	855
2022	3,165,000	36,297	3,201,297	e	816
2023	3,025,000	24,998	3,049,998	e	e

Sources:

- a District Records
- b Personal Income has been estimated based upon the municipal population and per capita personal income.
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Not applicable
- e Not available

Oaklyn School District
 Ratios of Net General Bonded Debt Outstanding
 Last Ten Fiscal Years

EXHIBIT J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding ^a		
2014	\$ -	\$ -	\$ -	-	\$ -
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	-	-	-	-
2019	3,165,000	-	3,165,000	-	-
2020	3,400,000	-	3,400,000	1.35%	862
2021	3,300,000	-	3,300,000	1.31%	843
2022	3,165,000	-	3,165,000	1.25%	e
2023	3,025,000	-	3,025,000	1.19%	e

Sources:

- a District Records
- b Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- c Per Capita Personal Income Data provided by the NJ Dept. of Labor and Workforce.
- d Not applicable
- e Not Available

Oaklyn School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2022

EXHIBIT J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Oaklyn	\$ 7,979,186	100.000%	\$ 7,979,186
Camden County General Obligation Debt	504,879,902	0.703%	3,549,306
			<hr/>
Subtotal, overlapping debt			11,528,492
Oaklyn School District Direct Debt			<hr/> 3,025,000
Total direct and overlapping debt			<u><u>\$ 14,553,492</u></u>

Sources:

- (1) Entity's Audit Report
- (2) The County percentage is based upon a calculation reflecting the Borough's share of the 2022 Equalized Valuation. The source for this computation was the 2022 County Abstract of Ratables, provided by the County Board of Taxation.

Legal Debt Margin Calculation for Fiscal Year 2023

Equalized valuation basis (1):

2020	\$ 285,263,812
2021	302,935,291
2022	343,365,883
	<u>\$ 931,564,986</u>

Average equalized valuation of taxable property \$ 310,521,662

Debt limit 2.5%	7,763,042
Net bonded school debt (3)	<u>3,025,000</u>
Legal debt margin	<u>\$ 4,738,042</u>

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 9,890,583	\$ 9,841,962	\$ 9,870,174	\$ 9,748,322	\$ 9,626,181	\$ 9,623,203	\$ 6,980,083	\$ 7,073,281	\$ 7,264,535	\$ 7,763,042
Total net debt applicable to limit (3)	-	-	-	-	-	-	3,400,000	3,300,000	3,165,000	3,025,000
Legal debt margin	<u>\$ 9,890,583</u>	<u>\$ 9,841,962</u>	<u>\$ 9,870,174</u>	<u>\$ 9,748,322</u>	<u>\$ 9,626,181</u>	<u>\$ 9,623,203</u>	<u>\$ 3,580,083</u>	<u>\$ 3,773,281</u>	<u>\$ 4,099,535</u>	<u>\$ 4,738,042</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.71%	46.65%	43.57%	38.97%

Sources:

- (1) Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A:24-19 for a K through 8 district.
- (3) District Records

**Oaklyn School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

EXHIBIT J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2013	3,991	\$ 177,427,887	\$ 44,457	8.8%
2014	3,975	183,617,175	46,193	6.1%
2015	3,968	190,471,936	48,002	5.5%
2016	3,970	196,086,240	49,392	4.9%
2017	3,964	202,544,544	51,096	4.2%
2018	3,962	210,089,012	53,026	4.1%
2019	3,955	217,358,890	54,958	3.2%
2020	3,945	232,084,350	58,830	8.5%
2021	3,913	241,205,146	61,642	5.4%
2022	3,923	e	e	3.2%
2023	e	e	e	e

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development
- ^b Personal income has been established based upon the municipal population and per capita personal income presented.
- ^c Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development
- ^e Information not available

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

EXHIBIT J-16

<u>Function/Program</u>	<u>Fiscal Year Ending June 30,2023</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	28.0	28.0	29.0	28.0	28.0	21.0	22.0	22.1	22.0	25.5
Special education	12.0	12.0	8.0	10.0	10.0	5.0	5.0	5.0	5.0	7.0
Support Services:										
Student & instruction related services	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0
School administrative services	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	3.0	2.0
General administrative services	-	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	-	-	-	-	-	-	-	-	-	-
Business and other support services	-	-	-	-	-	-	-	-	-	-
Food Service	1.0	-	-	-	-	-	-	-	-	-
Total	<u>48.3</u>	<u>47.3</u>	<u>44.3</u>	<u>44.3</u>	<u>44.3</u>	<u>32.3</u>	<u>33.3</u>	<u>33.4</u>	<u>33.0</u>	<u>37.5</u>

Source:
 District Personnel Records

Oaklyn School District
 Operating Statistics,
 Last Ten Fiscal Years

EXHIBIT J-17

<u>Fiscal Year</u>	<u>Resident Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2014	510	7,856,822	15,406	-17.25%	40	1:12	410.0	389.2	-7.32%	94.93%
2015	468	7,877,535	16,832	9.26%	40	1:11	376.2	356.9	-8.24%	94.87%
2016	444	7,783,336	17,530	4.14%	37	1:12	384.1	365.2	2.09%	95.10%
2017	445	7,759,900	17,438	-0.53%	38	1:11	365.1	346.5	-4.95%	94.91%
2018	445	8,308,780	18,671	7.07%	38	1:11	358.4	340.6	-1.84%	95.03%
2019	441	8,738,702	19,816	6.13%	26	1:10	246.8	234.6	-31.14%	95.08%
2020	466	9,740,388	20,902	5.48%	27	1:10	283.1	274.1	14.70%	96.85%
2021	475	9,837,136	20,710	-0.92%	27	1:10	273.9	262.4	-3.24%	95.77%
2022	443	10,625,828	23,986	15.82%	27	1:10	262.8	188.3	-4.05%	71.65%
2023	474	11,264,307	23,764	-0.92%	32	1:10	276.7	258.1	5.29%	93.26%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Oaklyn School District
School Building Information
Last Ten Fiscal Years**

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>										
<u>Elementary</u>										
Oaklyn Elementary (1926)										
Square Feet	74,260	74,260	74,260	74,260	74,260	74,260	74,260	74,260	74,260	74,260
Capacity (students)	540	540	540	540	540	540	540	540	540	540
Enrollment	413	376	386	376	358	247	283	274	263	277
<u>Other</u>										
Administration (1932)										
Square Feet	920	920								

Number of Schools at June 30, 2023
Elementary = 1

Source: District Facilities Office

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

	Fiscal Year Ending June 30,										Total
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
* School Facilities											
Oaklyn Public School	\$ 45,826	\$ 35,830	\$ 57,698	\$ 88,295	\$ 81,562	\$ 65,684	\$ 14,189	\$ 79,278	\$ 84,428	\$ 54,897	\$ 607,687
Total School Facilities	<u>\$ 45,826</u>	<u>\$ 35,830</u>	<u>\$ 57,698</u>	<u>\$ 88,295</u>	<u>\$ 81,562</u>	<u>\$ 65,684</u>	<u>\$ 14,189</u>	<u>\$ 79,278</u>	<u>\$ 84,428</u>	<u>\$ 54,897</u>	<u>\$ 607,687</u>

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

Source: District records

**Oaklyn School District
Insurance Schedule
June 30, 2023**

EXHIBIT J-20

	<u>Coverage</u>	<u>Self-insured Retention</u>	<u>Deductible</u>
School Package Policy (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 175,000,000	\$ 250,000	\$ 500
Boiler and Machinery	125,000,000		1,000
Crime	500,000	250,000	500
General and Automobile Liability	20,000,000	250,000	
Workers' compensation	Statutory	250,000	
Educators Legal Liability	20,000,000	250,000	
Pollution Legal Liability	3,000,000		25,000-250,000
Cyber Liability	2,000,000		50,000-100,000
Crisis Protection & Disaster Management Services	1,000,000		10,000
Student Accident (2)	1,000,000		
Surety Bonds (3)			
Business Administrator	200,000		

- (1) Burlington County Insurance Pool Joint Insurance Fund
- (2) Hardenbergh Insurance Company
- (3) Liberty Mutual

Source: District records

Single Audit Section

INVERSO & STEWART, LLC
Certified Public Accountants

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American Institute of CPAs
New Jersey Society of CPAs

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
of the Board of Education
Oaklyn School District
County of Camden
Oaklyn, New Jersey

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 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 Oaklyn School District (the "District"), in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated December 15, 2023.

Report on Internal Control Over Financial Reporting

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

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is 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 which is described in the accompanying *Schedule of Findings and Questioned Costs and Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* as finding no: 2023-001.

The Oaklyn School District's Response to Findings

The Oaklyn School District's response to the finding identified in my audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 15, 2023

INVERSO & STEWART, LLC
Certified Public Accountants

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT
 ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
 STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and Members
 of the Board of Education
 Oaklyn School District
 County of Camden
 Oaklyn, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

I have audited Oaklyn School District's (the "District"), in the County of Camden, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on the District's major state programs for the year ended June 30, 2023. The District's major state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned costs.

In my opinion, the 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 state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. My responsibilities under those standards and the Circular 15-08-OMB are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on my 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, and the N.J. Circular 15-08-OMB 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, would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, and N.J. Circular 15-08-OMB, I:

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

I am 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 I identified during the audit.

Report on Internal Control over Compliance

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

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

My 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.

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 15, 2023

OAKLYN SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From - To	Balance at June 30, 2022			Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2023		
						(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education															
Passed-through State Department of Education:															
Special Revenue Fund:															
Title I:															
Fiscal Year 2023	84.010	S010A220030	ESSA377023	\$ 88,439	7/1/22 - 9/30/23	\$ -	\$ -	\$ -	\$ -	\$ 52,347	\$ (88,417)	\$ -	\$ (36,070)	\$ -	\$ -
Fiscal Year 2022	84.010	S010A210030	ESSA377022	95,723	7/1/21 - 9/30/22	(36,442)				36,442					
Title II A:															
Fiscal Year 2023	84.367A	S367A220029	ESSA377023	27,273	7/1/22 - 9/30/23					16,524	(16,780)		(256)		
Fiscal Year 2022	84.367A	S367A210029	ESSA377022	30,032	7/1/21 - 9/30/22	(3,083)				3,083					
Title IV:															
Fiscal Year 2023	84.424	S424A220031	ESSA377023	12,649	7/1/22 - 9/30/23					6,420	(11,969)		(5,549)		
Fiscal Year 2022	84.424	S424A210031	ESSA377022	13,919	7/1/21 - 9/30/22	(4,509)				4,509					
I.D.E.A. Part B - Basic:															
Fiscal Year 2023	84.027A	H027A220100	IDEA377023	97,770	7/1/22 - 9/30/23					88,351	(97,770)		(9,419)		
Fiscal Year 2022	84.027A	H027A210100	IDEA377022	98,891	7/1/21 - 9/30/22	(9,329)				11,009	(1,680)				
ARP - Basic	84.027X	H027X210100	IDEA377022	13,185	7/1/21 - 9/30/22					2,029	(12,249)		(10,220)		
I.D.E.A. Part B - Preschool:															
Fiscal Year 2023	84.173A	H173A220114	IDEA377023	4,673	7/1/22 - 9/30/23					4,673	(4,673)		-		
ARP - Preschool	84.173X	H173X210114	IDEA377022	1,122	7/1/21 - 9/30/22					824	(1,000)		(176)		
CARES - ESSER I	84.425D	S425D210027	N/A	89,681	7/1/20 - 9/30/22	(13,299)				13,299					
Coronavirus Relief Fund	21.019	C8220COVID19	N/A	30,288	7/1/20 - 9/30/21										4,089
Coronavirus Response and Relief Supplement Act:															
CRRSA - ESSER II	84.425D	S425D210027	N/A	368,014	3/13/20 - 9/30/23	(140,424)				140,424			-		
CRRSA - Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20 - 9/30/23	(2,451)				15,285	(12,834)				
American Rescue Plan:															
ARP - ESSER III	84.425U	S425U210027	N/A	827,089	3/13/20 - 9/30/24	(213,548)				367,873	(258,472)		(104,147)		
ARP - Accelerated Learning	84.425U	S425U210027	N/A	50,000	3/13/20 - 9/30/24	(1,024)		33		8,499	(19,055)		(11,547)		
ARP - Summer Learning	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24					17,646	(11,123)				6,523
ARP - Beyond the School Day	84.425U	S425U210027	N/A	40,000	3/13/20 - 9/30/24	(3,158)				7,691	(5,026)		(493)		
ARP - Mental Health	84.425U	S425U210027	N/A	45,000	3/13/20 - 9/30/24					6,525	(1,877)				4,648
Total Department of Education						(427,267)	4,089		33	803,453	(542,925)		(177,877)	15,260	
U.S. Department of Agriculture															
Passed-through State Department of Agriculture:															
Enterprise Fund:															
Food Distribution Program															
National School Breakfast:	10.555	231NJ304N1199	N/A	21,993	7/1/22 - 6/30/23					21,993	(21,993)				
Fiscal Year 2023	10.553	231NJ304N1199	N/A	29,433	10/1/22 - 9/30/23					27,351	(29,433)		(2,082)		
Fiscal Year 2022	10.553	221NJ304N1099	N/A	85,894	10/1/21 - 9/30/22	(6,817)				6,817					
National School Lunch Program:															
Fiscal Year 2023	10.555	231NJ304N1199	N/A	52,845	10/1/22 - 9/30/23					48,917	(52,774)		(3,857)		
Fiscal Year 2022	10.555	221NJ304N1099	N/A	193,814	10/1/21 - 9/30/22	(14,737)				14,737					
After School Snacks															
Fiscal Year 2023	10.555	231NJ304N1199	N/A	71	10/1/22 - 9/30/23					71	(71)				
Supply Chain Assistance - 1st Round	10.555	221NJ344N8903	N/A	9,920	01/1/22 - 09/30/23					9,920	(9,920)				
Supply Chain Assistance - 2nd Round	10.555	221NJ344N8903	N/A	9,459	01/1/22 - 09/30/23					9,459	(9,459)				
Supply Chain Assistance - 3rd Round	10.555	231NJ344N8903	N/A	7,011	10/1/22 - 09/30/24					7,011	(7,011)				
Total Department of Agriculture						(21,554)				146,276	(130,661)		(5,939)		
U.S. Department of Health and Human Services															
Passed-through State Department of Human Services:															
General Fund:															
Medicaid Assistance Program (SEMI)															
Fiscal Year 2023	93.778	2205NJ5MAP	N/A	30,272	7/1/22 - 6/30/23					30,272	(30,272)				
FFCRA/SEMI	93.778	2205NJ5MAP	N/A	2,357	1/1/21 - 12/31/21					2,357	(2,357)				
Total Department of Health and Human Services										32,629	(32,629)				
Total Federal Awards						\$ (448,821)	\$ 4,089	\$ -	\$ 33	\$ 982,358	\$ (706,215)	\$ -	\$ (183,816)	\$ 15,260	\$ -

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

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

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Local Share	Grant Period From - To	Balance at June 30, 2022			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2023		
					(Accounts Receivable)	Deferred Revenue	Due to Grantor					(Accounts Receivable)	Deferred Revenue	Due to Grantor
State Department of Education														
General Fund:														
Equalization Aid	23-495-034-5120-078	\$ 2,503,417	\$ -	7/1/22 - 6/30/23	\$ -	\$ -	\$ -	\$ -	\$ 2,269,795	\$ (2,503,417)	\$ -	\$ (233,622)	\$ -	\$ -
Equalization Aid	22-495-034-5120-078	2,466,633		7/1/21 - 6/30/22	(242,972)			242,972				-		
School Choice Aid	23-495-034-5120-068	68,775		7/1/22 - 6/30/23				62,357	(68,775)			(6,418)		
School Choice Aid	22-495-034-5120-068	59,442		7/1/21 - 6/30/22	(5,856)			5,856				-		
Categorical Special Education Aid	23-495-034-5120-089	380,198		7/1/22 - 6/30/23				344,718	(380,198)			(35,480)		
Categorical Special Education Aid	22-495-034-5120-089	275,669		7/1/21 - 6/30/22	(27,154)			27,154				-		
Categorical Transportation Aid	23-495-034-5120-014	16,236		7/1/22 - 6/30/23				14,721	(16,236)			(1,515)		
Categorical Transportation Aid	22-495-034-5120-014	16,236		7/1/21 - 6/30/22	(1,599)			1,599				-		
Categorical Security Aid	23-495-034-5120-084	48,228		7/1/22 - 6/30/23				43,727	(48,228)			(4,501)		
Categorical Security Aid	22-495-034-5120-084	48,228		7/1/21 - 6/30/22	(4,751)			4,751				-		
Extraordinary Special Education Aid	23-495-034-5120-044	148,753		7/1/22 - 6/30/23					(148,753)			(148,753)		
Extraordinary Special Education Aid	22-495-034-5120-044	75,809		7/1/21 - 6/30/22	(75,809)			75,809				-		
Maintenance of Equity Aid	23-495-034-5120-128	466,416		7/1/22 - 6/30/23					(466,416)			(466,416)		
Lead Testing for Schools	23-495-034-5120-104	1,276		7/1/22 - 6/30/23				1,276	(1,276)			-		
On-behalf TPAF Pension Contribution	23-495-034-5094-002	738,288		7/1/22 - 6/30/23				738,288	(738,288)			-		
On-behalf TPAF Post Retirement Medical	23-495-034-5094-001	193,947		7/1/22 - 6/30/23				193,947	(193,947)			-		
On-behalf TPAF LTDI	23-495-034-5094-004	300		7/1/22 - 6/30/23				300	(300)			-		
Reimbursed TPAF Social Security Contr.	23-495-034-5094-003	151,751		7/1/22 - 6/30/23				159,577	(176,947)			(17,370)		
Reimbursed TPAF Social Security Contr.	22-495-034-5094-003	151,751		7/1/21 - 6/30/22	(7,340)			7,340				-		
Total General Fund					(365,481)	-	-	-	4,194,187	(4,742,781)	-	(914,075)	-	-
<u>Debt Service Fund</u>														
Debt Service Aid Type II	23-495-034-5120-017	75,633		7/1/22 - 6/30/23				75,633	(75,633)					
Special Revenue Fund:														
Emergent & Capital Maintenance	EG-0166-DO2	4,899		7/1/22 - 6/30/23				4,899					4,899	
Preschool Education Aid	23-495-034-5120-086	815,880	86,140	7/1/22 - 6/30/23				820,432	(879,771)			(81,588)	22,249	
Preschool Education Aid	22-495-034-5120-086	708,361		7/1/21 - 6/30/22	(56,041)			56,041				-		
Total Special Revenue Fund					(56,041)	-	-	-	881,372	(879,771)	-	(81,588)	27,148	-
State Department of Agriculture														
Enterprise Fund:														
Breakfast Program														
Fiscal Year 2023	23-100-010-3350-023	486		7/1/22 - 6/30/23				453	(486)			(33)		
National School Lunch Program:														
Fiscal Year 2023	23-100-010-3350-023	1,848		7/1/22 - 6/30/23				1,710	(1,847)			(137)		
Fiscal Year 2022	22-100-010-3350-023	4,537		7/1/21 - 6/30/22	(339)			339				-		
Total Enterprise Fund					(339)	-	-	-	2,502	(2,333)	-	(170)	-	-
Total State Financial Assistance					\$ (421,861)	\$ -	\$ -	\$ -	\$ 5,153,694	\$ (5,700,518)	\$ -	\$ (995,833)	\$ 27,148	\$ -
Less: State Financial Expenditures Not Subject to Major Program Determination														
On-Behalf (Non-Budgeted):														
TPAF Contribution - Pension	23-495-034-5094-002	738,288		7/1/22 - 6/30/23					738,288					
TPAF Contribution - Post-Retirement Medical	23-495-034-5094-001	193,947		7/1/22 - 6/30/23					193,947					
TPAF Contribution - LTDI	23-495-034-5094-004	300		7/1/22 - 6/30/23					300					
Total State Financial Expenditures Subject to Major Program Determination									\$ (4,767,983)					

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

**Oaklyn School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2023**

I. GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Oaklyn School District (“School District”). The School District is defined in Note 1 to the School District'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, are included on the schedules of expenditures of federal awards and state financial assistance.

2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using 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 School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when the 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$796 in the general fund and (\$111,687) in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 32,629	\$ 4,743,577	\$ 4,776,206
Special Revenue	542,925	768,084	1,311,009
Debt Service		75,633	75,633
Food Service	<u>130,661</u>	<u>2,333</u>	<u>132,994</u>
Total	<u>\$ 706,215</u>	<u>\$ 5,589,627</u>	<u>\$ 6,295,842</u>

**Oaklyn School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2023
(Continued)**

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.

5. OTHER

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

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

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

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? X yes no

Federal Awards

NOT APPLICABLE

Internal Control over major programs:

1) Material weakness(es) identified? yes no

2) Significant deficiencies identified? yes none reported

Type of auditor's report on compliance for major programs:

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes no

Identification of major programs:

Table with 3 columns: AL Number(s), FAIN Number(s), Name of Federal Program or Cluster

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

Auditee qualified as low-risk auditee? yes no

OAKLYN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Section 1 -- Summary of Auditor's Results (Cont'd)

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major programs:

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

2) Significant deficiencies identified that are not considered to be material weakness? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable? yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
<u>23-495-034-5120-078</u>	State Aid Public Cluster: <u>Equalization Aid</u>
<u>23-495-034-5120-089</u>	<u>Special Education Categorical Aid</u>
<u>23-495-034-5120-084</u>	<u>Security Aid</u>
<u>23-495-034-5094-068</u>	<u>School Choice Aid</u>
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**OAKLYN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section 2 -- Schedule of Financial Statement Findings

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

Finding #2023-001

Criteria or specific requirement:

CFR Section 210.14 Resource Management (b) Net Cash Resources. The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for a nonprofit school food service.

Condition:

Net cash resources exceeded three months average expenditures by \$39,418.

Context:

Per the calculation of the Food Service Fund's Net Cash Resources, Net Cash Resources at June 30, 2023 were \$99,277, and its three month average expenditures were \$59,859, resulting in an overage of \$39,418.

Effect:

The School District is not in compliance with CFR section 210.14 and requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Cause:

An increase in reimbursable and non- reimbursable sales and reduced expenditures.

Recommendation:

That the School District continue to monitor the finances of its Food Service Fund and create a plan to reduce the net cash resources below its three month average expenditures.

View of Responsible Officials and Planned Corrective Action:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

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

FEDERAL AWARDS:

A federal single audit was not required.

STATE AWARDS:

No findings and/or questioned costs identified.

**OAKLYN SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding 2022-001:

Condition:

The Food Service Fund's Net Cash Resources exceeded its three month average expenditures.

Current Status:

This condition has not been corrected.

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.