

**Annual Comprehensive
Financial Report
of the**

**Oldmans Township School District
Pedricktown, New Jersey
For The Year Ended June 30, 2023**

Prepared by
Oldmans Township Board of Education
Finance Department

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Introductory Section

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Oldmans Township School District

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Maria Calabrese
Board President

John Ogbin
Superintendent

Pamela A. Zook
Business Administrator/Board Secretary

Bonnie Turpin
Supervisor of Curriculum

December 1, 2023

Honorable President and Members
of the Board of Education
Oldmans Township School District
County of Salem
Pedricktown, New Jersey

Dear Board Members/Citizens:

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

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

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

Introductory Section:

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

Financial Section:

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

Statistical Section:

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

Single Audit Section:

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

REPORTING ENTITY AND ITS SERVICES

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

The School District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational, as well as special education for children with special needs. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

| | | |
|-----------|-----|--------|
| 2022-2023 | 294 | -3.29% |
| 2021-2022 | 304 | 6.29% |
| 2020-2021 | 286 | 0.35% |
| 2019-2020 | 285 | -0.70% |
| 2018-2019 | 287 | 5.90% |
| 2017-2018 | 271 | -5.57% |
| 2016-2017 | 287 | 7.09% |
| 2015-2016 | 268 | 5.93% |
| 2014-2015 | 253 | 9.52% |
| 2013-2014 | 231 | 0.43% |

ECONOMIC CONDITION AND OUTLOOK

Oldmans Township is a rural farming community with some general businesses and light industry. Walmart operates out of three warehouses in the Gateway Business Park and is the largest source of employment in the community. There have been two residential developments in the past years for a total of 97 houses. The Gateway Industrial Park has nine commercial warehouses completed and operational, as well as one warehouse located on US Route 130 and is a cold storage warehouse. The total number of warehouses in Oldmans Township is 10.

MAJOR INITIATIVES

All 7 curricular areas are revised and updated as required. A focus has been on updating to the 2020 New Jersey Student Learning Standards, NJSLS. Oldmans School District will continue to implement all aspects of the Achieve NJ initiative including the evaluation process; utilizing the Danielson Framework and OnCourse platform for teacher evaluation; creating Student Growth Objectives (SGOs) and analyzing Student Growth Percentiles (SGPs).

Teachers will continue to use LinkIt as their online assessment tool, which features a NJSLA prep component. For the 2024-25 school year, we will have 1:1 computing in grades K-8.

The district will be exploring the creation of an upper elementary/ middle school self-contained classroom for the 24-25 school year.

The district has dedicated funds to address learning loss and mental health due to the pandemic. Support in reading and math as well as our Summer Enrichment program have been implemented to address areas of concern.

At present, the District continues to share grounds maintenance services with the Township. The district also shares a World Language Teacher with Alloway Township School District.

The estimated CHOICE students for 2024-25 school year will be 58, the capped amount.

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

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

ACCOUNTING SYSTEM AND REPORTS

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

OTHER INFORMATION

INDEPENDENT AUDIT

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

ACKNOWLEDGEMENTS

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

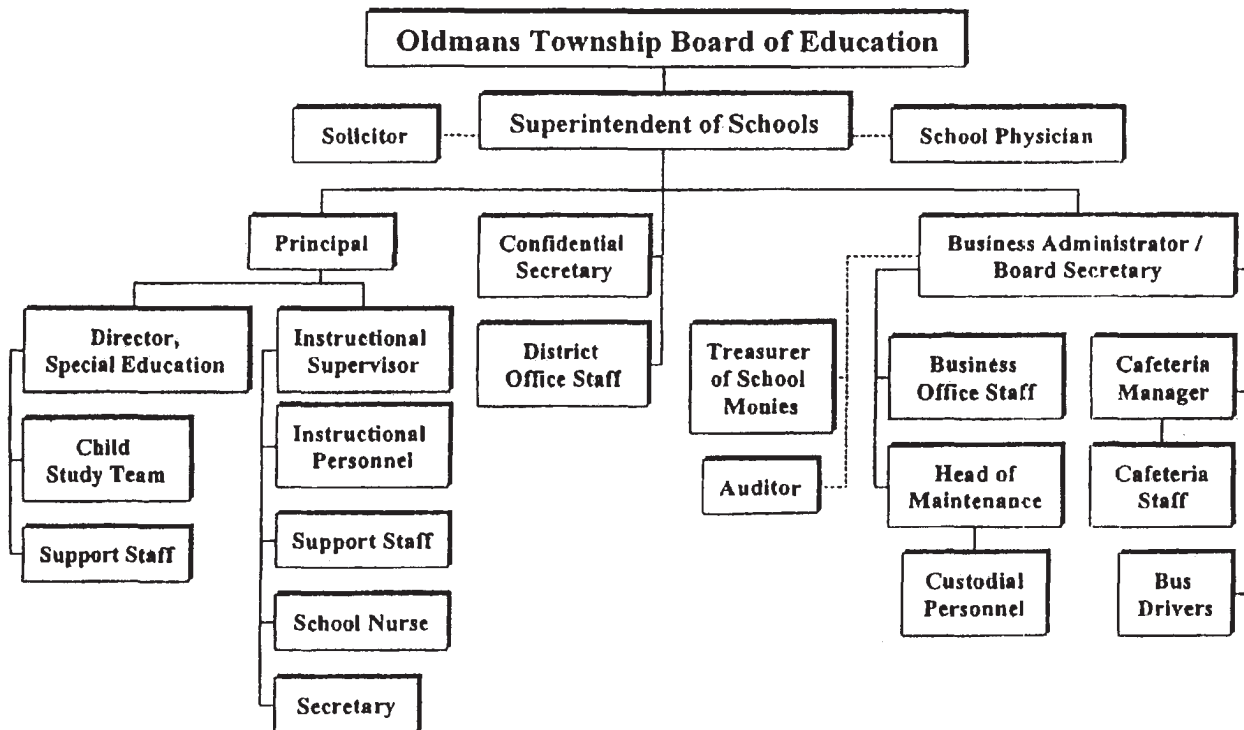
Respectfully submitted,

John Ogbin

John Ogbin, Superintendent

Pamela Zook

Pamela Zook, School Business Administrator/Board Secretary



OLDMANS TOWNSHIP BOARD OF EDUCATION
PEDRICKTOWN, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2023

| <u>Members of the Board of Education</u> | <u>Term Expires</u> |
|---|----------------------------|
| Maria Calabrese, President | 2023 |
| Stacy Podolski, Vice-President | 2024 |
| Marcia Beach-Malinowski | 2023 |
| Daniel Daly | 2024 |
| Jason Ferrell | 2024 |
| Jeffrey Newman | 2025 |
| Cory Tanyer | 2023 |
| Rick Verdecchio | 2023 |
| Lauren Winkelspecht | 2025 |

Other Officials

Pamela Zook., Interim Superintendent
Pamela Zook, School Business Administrator/Board Secretary
Diane Elwell, Treasurer of School Monies

OLDMANS TOWNSHIP BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

AUDIT FIRM

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

ATTORNEY

Amy Houck Esquire
Cooper Levenson, Attorneys at Law
145 Marlton Pike East #205
Cherry Hill, NJ 08034

OFFICIAL DEPOSITORIES

Pennsville Bank
Mill & Railroad Avenue
Pedricktown, New Jersey

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Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Honorable President and
Members of the Board of Education
Oldmans Township School District
County of Salem, New Jersey

Report on the Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oldmans Township School District, in the County of Salem, New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oldmans Township School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023 on our consideration of the Oldmans Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Oldmans Township School District's internal control over financial reporting and compliance.

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

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

December 1, 2023

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REQUIRED SUPPLEMENTARY INFORMATION
PART 1

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

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

Financial Highlights

Key financial highlights for 2023 are as follows:

- In total, net position increased \$46,900, which represents an increase of approximately 8 percent from prior year.
- General revenues accounted for \$6,719,739 in revenue. Program specific revenues in the form of charges for services and operating grants and contributions accounted for (\$27,814) of total revenues of \$6,691,925.
- Total assets of governmental activities increased \$114,254 as cash and cash equivalents decreased by \$215,233, receivables increased by \$98,902, and net capital assets increased by \$8,183.
- The School District had \$6,645,025 in expenses; (\$27,814) of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$6,719,739 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$6,632,781 in revenues and \$6,832,046 in expenditures. The General Fund's fund balance decreased \$229,265 from 2022.

Using this Annual Comprehensive Financial Report (ACFR)

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

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

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

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

Enterprise Fund

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

Notes to the Financial Statements

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

The School District as a Whole

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

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

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

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

| Table 1 Net Position | | 2023 | 2022 |
|---------------------------------------|----|--------------|--------------|
| Assets | | | |
| Current and Other Assets | \$ | 2,923,463 | 3,029,534 |
| Capital Assets | | 6,026,508 | 6,034,691 |
| | | 8,949,971 | 9,064,225 |
| Deferred Outflows of Resources | | | |
| Deferred Outflows Related to Pensions | | 121,763 | 193,370 |
| Liabilities | | | |
| Long-Term Liabilities | | 3,012,347 | 2,884,817 |
| Other Liabilities | | 210,339 | 217,591 |
| | | 3,222,686 | 3,102,408 |
| Deferred Inflows of Resources | | | |
| Deferred Inflows Related to Pensions | | 208,617 | 561,658 |
| | | 208,617 | 561,658 |
| Net Position | | | |
| Net Investment in Capital Assets | | 4,086,508 | 4,004,691 |
| Restricted | | 2,451,799 | 2,409,045 |
| Unrestricted | | (897,876) | (820,207) |
| | | \$ 5,640,431 | \$ 5,593,529 |

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

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

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

**Table 2
Changes in Net Position**

| | 2023 | 2022 |
|---|------------------|------------------|
| Revenues | | |
| Program Revenues: | | |
| Charges for Services | \$ 79,286 | 31,214 |
| Operating Grants and Contributions | (107,100) | 1,257,544 |
| General Revenues: | | |
| Property Taxes | 3,273,684 | 3,226,762 |
| Grants and Entitlements | 3,366,581 | 2,536,380 |
| Other | 79,474 | 65,777 |
| Total Revenues | <u>6,691,925</u> | <u>7,117,677</u> |
| Program Expenses | | |
| Instruction | 2,633,581 | 2,114,222 |
| Support Services: | | |
| Tuition | 782,508 | 578,344 |
| Pupils and Instructional Staff | 1,502,284 | 802,970 |
| General and School Administration, Business | 609,909 | 412,897 |
| Operations and Maintenance of Facilities | 438,865 | 386,909 |
| Pupil Transportation | 485,782 | 222,320 |
| Unallocated Benefits | | 1,324,517 |
| Interest on Debt | 55,207 | 60,147 |
| Unallocated Depreciation | | 222,755 |
| Food Service | 104,824 | 143,925 |
| Other Enterprise | 32,065 | 30,119 |
| Total Expenses | <u>6,645,025</u> | <u>6,299,125</u> |
| Increase in Net Position | <u>\$ 46,900</u> | <u>818,552</u> |

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

Governmental Activities

Property taxes made up 50 percent of revenues for governmental activities for the Oldmans Township School District for fiscal year 2023. The School District's total governmental revenues were \$6,492,458 for the year ended June 30, 2023. Charges for services represents 0 percent of revenue and federal, state, and local grants accounted for another 3 percent of revenue.

The total cost of all program and services was \$6,645,025. Instruction comprises 40 percent of District expenses.

Business-Type Activities

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

- Expenditures exceeded revenues by \$1,842.
- Charges for services represent \$79,286 of revenue. This represents amounts paid by patrons for daily food service and childcare services.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$90,181.

Governmental Activities

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

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

Table 3

| | <u>Total Cost of Services 2023</u> | <u>Net Cost of Services 2023</u> | <u>Total Cost of Services 2022</u> | <u>Net Cost of Services 2022</u> |
|---------------------------------|--|--------------------------------------|--|--------------------------------------|
| Instruction | \$ 2,633,581 | 3,037,570 | 2,114,222 | 2,051,383 |
| Support Services: | | | | |
| Tuition | 782,508 | 782,508 | 578,344 | 578,344 |
| Student and Instructional Staff | 1,502,284 | 1,297,390 | 802,970 | 575,064 |
| General Administration, School | | | | |
| Admin & Business Services | 609,909 | 609,216 | 412,897 | 412,897 |
| Operation of Plant | 438,865 | 438,279 | 386,909 | 386,909 |
| Pupil Transportation | 485,782 | 485,247 | 222,320 | 222,320 |
| Unallocated Benefits | | | 1,324,517 | 514,547 |
| Unallocated Depreciation | | | 222,755 | 222,755 |
| Interest and Finance Charges | 55,207 | 55,207 | 60,147 | 60,147 |
| Food Service | 104,824 | (26,167) | 143,925 | (14,158) |
| Childcare | 32,065 | (6,411) | 30,119 | 159 |
| Total Expenses | <u>\$ 6,645,025</u> | <u>6,672,839</u> | <u>6,299,125</u> | <u>5,010,367</u> |

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

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

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

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

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

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

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

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

None of the variances are unusual or unexpected.

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

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$7,063,031 and expenditures were \$7,272,363. The net decrease in fund balance of operations for the year was (\$239,332).

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

| Revenue | Amount | Percent of Total | Increase (Decrease) from 2022 | Percent of Increase (Decrease) |
|-----------------|---------------------|---------------------|-------------------------------------|--------------------------------------|
| Local Sources | \$ 3,452,822 | 48.9% | 164,851 | 5.0% |
| State Sources | 3,367,907 | 47.7% | (245,408) | -6.8% |
| Federal Sources | 243,302 | 3.4% | (47,443) | -16.3% |
| Total | <u>\$ 7,064,031</u> | <u>100.0%</u> | <u>(128,000)</u> | <u>-1.8%</u> |

The increase in State funding is due to increased on-behalf Contributions. The increase in local sources is mostly due to an increase in tuition revenue.

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

| Expenditures | Amount | Percent of Total | Increase (Decrease) from 2022 | Percent of Increase (Decrease) |
|----------------------------|---------------------|---------------------|-------------------------------------|--------------------------------------|
| Current expense: | | | | |
| Instruction | \$ 2,163,528 | 29.8% | 49,306 | 2.3% |
| Undistributed expenditures | 4,720,700 | 64.9% | 548,848 | 13.2% |
| Capital Outlay | 242,310 | 3.3% | 175,874 | 264.7% |
| Debt Service: | | | | |
| Principal | 90,000 | 1.2% | (59,000) | -39.6% |
| Interest | 55,825 | 0.8% | (5,347) | -9.0% |
| Total | <u>\$ 7,272,363</u> | <u>100.0%</u> | <u>709,681</u> | <u>10.8%</u> |

Changes in expenditures were the results of varying factors. The significant change in Capital Outlay is partly due to construction projects going on within District.

General Fund Budgeting Highlights

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

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

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

- On-behalf TPAF Pension contributions appear as both a revenue and an expense in the School District's financial statements. The State of New Jersey made on behalf TPAF Pension Contributions of \$727,279 for FY 2023 and also made on-behalf TPAF post-retirements contributions of \$191,055 and long-term disability insurance for the School District in the amount of \$599.
- The State of New Jersey reimbursed the District for TPAF Social Security contributions made during the school year. The amount of \$152,614.

Capital Assets

At the end of the fiscal year 2023, the School District had \$6,026,508 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2023 balances compared to 2022.

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

| | 2023 | 2022 |
|----------------------------------|--------------|-----------|
| Land | \$ 38,000 | 38,000 |
| Construction in Progress | | 1,806,915 |
| Land Improvements | 219,009 | 239,649 |
| Building & Building Improvements | 5,465,865 | 3,556,808 |
| Machinery and Equipment | 303,634 | 393,319 |
| Total | \$ 6,026,508 | 6,034,691 |

Debt Administration

At June 30, 2023, the School District had \$3,012,053 of outstanding long term liabilities. Of this amount, \$103,370 is for compensated absences, \$1,940,000 of serial bonds net of unamortized premiums on bonds issued, net pension liability of \$968,683 and a lease agreement of \$0.

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

| | 2023 | 2022 |
|--------------------------|--------------|-----------|
| General Obligation Bonds | \$ 1,940,000 | 2,030,000 |
| Pension liability | 968,683 | 744,374 |
| Compensated Absences | 103,370 | 110,443 |
| Total | \$ 3,012,053 | 2,884,817 |

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

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

For the Future

The Oldmans Township School District is in good financial condition presently.

In conclusion, the Oldmans Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue to identify operational efficiencies which will allow it to meet the challenges of declining or stable state aid.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Business Administration/Board Secretary at Oldmans Board of Education, 10 Freed Road, Pedricktown, NJ 08067. Please visit our website at <https://www.Oldmans.org>.

BASIC FINANCIAL STATEMENTS

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OLDMANS TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

| | Governmental Activities | Business-Type Activities | Total |
|---------------------------------------|----------------------------|-----------------------------|------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 2,188,055 | 46,112 | 2,234,167 |
| Receivables, Net | 675,813 | 2,452 | 678,265 |
| Inventory | | 11,031 | 11,031 |
| Capital Assets | | | |
| Land | 38,000 | | 38,000 |
| Capital Assets being Depreciated, net | 5,985,262 | 3,246 | 5,988,508 |
| Total Assets | <u>8,887,130</u> | <u>62,841</u> | <u>8,949,971</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred Outflows Related to Pensions | <u>121,763</u> | | <u>121,763</u> |
| LIABILITIES | | | |
| Accounts Payable | 164,199 | - | 164,199 |
| Payroll Taxes Payable | 8,784 | | 8,784 |
| Unearned Revenue | 22,207 | 1,811 | 24,018 |
| Accrued Interest | 13,338 | | 13,338 |
| Noncurrent Liabilities | | | |
| Due Within One Year | 90,000 | | 90,000 |
| Due Beyond One Year | 1,953,370 | 294 | 1,953,664 |
| Net Pension Liability | 968,683 | | 968,683 |
| Total Liabilities | <u>3,220,581</u> | <u>2,105</u> | <u>3,222,686</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Inflows Related to Pensions | <u>208,617</u> | | <u>208,617</u> |
| Total Deferred Outflows of Resources | <u>208,617</u> | <u>-</u> | <u>208,617</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 4,083,262 | 3,246 | 4,086,508 |
| Restricted for: | | | |
| Capital Projects | 778,039 | | 778,039 |
| Other Purposes | 1,640,987 | | 1,640,987 |
| Scholarships | 1,810 | | 1,810 |
| Student Activities | 30,963 | | 30,963 |
| Unrestricted (Deficit) | (955,366) | 57,490 | (897,876) |
| Total Net Position (Deficit) | <u>\$ 5,579,695</u> | <u>60,736</u> | <u>5,640,431</u> |

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

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

| Function/Programs | Program Revenue | | | Net (Expense) Revenue and Changes in Net Position | | | |
|---|------------------|---------------------------|----------------------|---|-------------------------|--------------------------|--------------------|
| | Expenses | Indirect Costs Allocation | Charges for Services | Operating Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Governmental Activities: | | | | | | | |
| Instruction: | | | | | | | |
| Regular | 1,387,703 | 688,181 | - | (406,697) | (2,482,581) | - | (2,482,581) |
| Special Education | 343,637 | 123,984 | - | 20,354 | (447,267) | - | (447,267) |
| Other Special Instruction | 60,215 | 29,861 | - | (17,646) | (107,722) | - | (107,722) |
| Support Services: | | | | | | | |
| Tuition | 782,508 | - | - | - | (782,508) | - | (782,508) |
| Student & Instruction Related Services | 903,719 | 598,565 | - | 204,894 | (1,297,390) | - | (1,297,390) |
| General Administration and Business Services | 228,401 | 92,040 | - | 359 | (320,082) | - | (320,082) |
| School Administrative Services | 43,292 | 17,446 | - | 68 | (60,670) | - | (60,670) |
| Plant Operation and Maintenance | 288,655 | 150,210 | - | 586 | (438,279) | - | (438,279) |
| Pupil Transportation | 348,813 | 136,969 | - | 535 | (485,247) | - | (485,247) |
| Central Services | 160,470 | 68,260 | - | 266 | (228,464) | - | (228,464) |
| Unallocated Benefits | 1,905,516 | (1,905,516) | - | - | - | - | - |
| Interest on Long-Term Debt | 55,207 | - | - | - | (55,207) | - | (55,207) |
| Total Governmental Activities | 6,508,136 | - | - | (197,281) | (6,705,417) | - | (6,705,417) |
| Business-Type Activities: | | | | | | | |
| Food Service | 104,824 | - | 40,810 | 90,181 | - | 26,167 | 26,167 |
| Latchkey | 32,065 | - | 38,476 | - | - | 6,411 | 6,411 |
| Total Business-Type Activities | 136,889 | - | 79,286 | 90,181 | - | 32,578 | 32,578 |
| Total Primary Government | 6,645,025 | - | 79,286 | (107,100) | (6,705,417) | 32,578 | (6,672,839) |
| General Revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes, Levied for General Purposes | | | | | 3,184,237 | | 3,184,237 |
| Taxes Levied for Debt Service | | | | | 89,447 | | 89,447 |
| Federal and State Aid not Restricted | | | | | 3,366,581 | | 3,366,581 |
| Investment Earnings | | | | | 65,157 | | 65,157 |
| Other Restricted Miscellaneous Revenues | | | | | 13,290 | | 13,290 |
| Miscellaneous Income | | | | | 48,137 | | 48,137 |
| Transfers | | | | | (30,000) | 30,000 | - |
| Special Items: | | | | | | | |
| Fixed Assets Adjustment | | | | | (47,110) | | (47,110) |
| Total General Revenues, Special Items, Extraordinary Items and Transfers | | | | | 6,689,739 | 30,000 | 6,719,739 |
| Change in Net Position | | | | | (15,678) | 62,578 | 46,900 |
| Net Position (Deficit) - Beginning, As Restated | | | | | 5,595,371 | (1,842) | 5,593,529 |
| Net Position (Deficit) - Ending | | | | | 5,579,693 | 60,736 | 5,640,429 |

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

OLDMANS TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2023

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|---------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 1,708,199 | \$ 32,772 | 447,084 | | \$ 2,188,055 |
| Due from Other Funds | 570,083 | | | | 570,083 |
| Intergovernmental Accounts Receivable | | | | | |
| Federal | | 606,179 | | | 606,179 |
| State | 68,651 | | | | 68,651 |
| Other Receivables | | 983 | | | 983 |
| Total Assets | <u>2,346,933</u> | <u>639,934</u> | <u>447,084</u> | <u>-</u> | <u>3,433,951</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | 149,328 | 14,871 | | | 164,199 |
| Due to Other Funds | - | 570,083 | | | 570,083 |
| Payroll Taxes Payable | 8,784 | | | | 8,784 |
| Unearned Revenue | | 22,207 | | | 22,207 |
| Total Liabilities | <u>158,112</u> | <u>607,161</u> | <u>-</u> | <u>-</u> | <u>765,273</u> |
| Fund Balances: | | | | | |
| Restricted for: | | | | | |
| Excess Surplus - Current Year | 554,928 | | | | 554,928 |
| Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures | 558,654 | | | | 558,654 |
| Capital Reserve | 330,955 | | | | 330,955 |
| Maintenance Reserve | 392,119 | | | | 392,119 |
| Unemployment Claims | 135,286 | | | | 135,286 |
| Student Activities | | 30,963 | | | 30,963 |
| Scholarships | | 1,810 | | | 1,810 |
| Assigned to: | | | | | |
| Designated for | | | | | |
| Subsequent Year's Expenditures | 20,875 | | | | 20,875 |
| Other Purposes | 93,860 | | | | 93,860 |
| Unassigned | | | | | |
| General Fund | 102,144 | | | | 102,144 |
| Special Revenue Fund | | - | | | - |
| | <u>2,188,821</u> | <u>32,773</u> | <u>447,084</u> | <u>-</u> | <u>2,668,678</u> |
| Total Liabilities and Fund Balances | <u>\$ 2,346,933</u> | <u>\$ 639,934</u> | <u>\$ 447,084</u> | <u>\$ -</u> | |

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

| | |
|---|------------------|
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$10,492,964 and the accumulated depreciation is \$4,469,702. | 6,023,262 |
| Interest on long-term debt in the statement of activities is accrued, regardless of when due. | (13,338) |
| Pension Liabilities Net of Deferred Outflows & Inflows | (1,055,537) |
| Long-term liabilities, including bonds and capital lease payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. | (2,043,370) |
| Net Position of governmental activities | <u>5,579,695</u> |

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

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

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|--|---------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| REVENUES | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 3,184,237 | - | | 89,447 | 3,273,684 |
| Interest Earned on Investments | 65,157 | | | | 65,157 |
| Other Restricted Miscellaneous Revenues | 13,290 | | | | 13,290 |
| Miscellaneous | 48,137 | 51,554 | | | 99,691 |
| Total Local Sources | 3,310,821 | 51,554 | - | 89,447 | 3,451,822 |
| State Sources | 3,321,960 | 1,326 | | 44,621 | 3,367,907 |
| Federal Sources | - | 243,302 | | | 243,302 |
| Total Revenues | <u>6,632,781</u> | <u>296,182</u> | <u>-</u> | <u>134,068</u> | <u>7,063,031</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular Instruction | 1,691,715 | | | | 1,691,715 |
| Special Education Instruction | 304,783 | 93,625 | | | 398,408 |
| Other Special Instruction | 73,405 | | | | 73,405 |
| Support Services: | | | | | |
| Tuition | 782,508 | | | | 782,508 |
| Student & Instruction Related Serv. | 688,910 | 200,867 | | | 889,777 |
| General Administrative Services | 226,257 | | | | 226,257 |
| School Administrative Services | 42,886 | | | | 42,886 |
| Plant Operation and Maintenance | 369,252 | | | | 369,252 |
| Pupil Transportation | 336,703 | | | | 336,703 |
| Central Services | 167,801 | | | | 167,801 |
| Unallocated Employee Benefits | 1,905,516 | | | | 1,905,516 |
| Debt Service: | | | | | |
| Principal | | | | 90,000 | 90,000 |
| Interest and Other Charges | - | | | 55,825 | 55,825 |
| Capital Outlay | 242,310 | - | - | | 242,310 |
| Total Expenditures | <u>6,832,046</u> | <u>294,492</u> | <u>-</u> | <u>145,825</u> | <u>7,272,363</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(199,265)</u> | <u>1,690</u> | <u>-</u> | <u>(11,757)</u> | <u>(209,332)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Capital Financing Agreement Proceeds (Non-Budget) | - | | - | | - |
| Transfer in | | - | - | - | - |
| Transfer out | (30,000) | | - | | (30,000) |
| Total Other Financing Sources and Uses | <u>(30,000)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(30,000)</u> |
| Net Changes in Fund Balance | (229,265) | 1,690 | - | (11,757) | (239,332) |
| Fund Balance - July 1 | 2,418,086 | 31,082 | 447,084 | 11,757 | 2,908,009 |
| Fund Balance - June 30 | <u>\$ 2,188,821</u> | <u>32,772</u> | <u>447,084</u> | <u>-</u> | <u>2,668,677</u> |

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

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

| | | |
|--|-----------|-----------|
| Total Net Change in Fund Balance - Governmental Funds (from B-2) | | (239,332) |
| <p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> | | |
| <p>Capital outlays are reported in governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current fiscal year.</p> | | |
| Depreciation expense | (290,724) | |
| Loss on Disposal of Capital Assets | (47,110) | |
| Capital Outlay | 326,405 | (11,429) |
| <p>Repayment of bond principal and capital leases are expenditures in the governmental funds, but the repayment reduces long - term liabilities in the statement of Net Position and is not reported in the statement of activities.</p> | | |
| Principal Repayments: | | |
| Bonds Payable | | 90,000 |
| Capital Financing Agreement | | |
| <p>Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.</p> | | |
| District pension contributions - PERS | 57,124 | |
| Cost of benefits earned net of employee contributions | 80,944 | 138,068 |
| <p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p> | | |
| | | 6,397 |
| <p>In the statement of activities, interest on long - term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation.</p> | | |
| | | 618 |
| Change in Net Position of Governmental Activities | | (15,678) |

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

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

| | Business-Type Activities - Enterprise Fund | | Totals |
|---------------------------------------|---|--------------------------|--------------------------|
| | Food Service | Latchkey Program | |
| ASSETS | | | |
| Current Assets: | | | |
| Cash and Cash Equivalents | | \$ 58,863 | \$ 58,863 |
| Intergovernmental Accounts Receivable | | | |
| Federal | 1,865 | | 1,865 |
| State | 37 | | 37 |
| Other | 550 | | 550 |
| Inventories | 11,031 | | 11,031 |
| Total Current Assets | <u>13,483</u> | <u>58,863</u> | <u>72,346</u> |
| Noncurrent Assets: | | | |
| Furniture, Machinery & Equipment | 137,701 | 6,600 | 144,301 |
| Less: Accumulated Depreciation | (134,455) | (6,600) | (141,055) |
| Total Noncurrent Assets | <u>3,246</u> | <u>-</u> | <u>3,246</u> |
| Total Assets | <u><u>16,729</u></u> | <u><u>58,863</u></u> | <u><u>75,592</u></u> |
| LIABILITIES | | | |
| Current Liabilities: | | | |
| Cash Overdraft | 12,751 | | 12,751 |
| Compensated Absences Payable | 294 | | 294 |
| Unearned Revenue | 1,811 | | 1,811 |
| Total Current Liabilities | <u>14,856</u> | <u>-</u> | <u>14,856</u> |
| Noncurrent Liabilities: | | | |
| None | - | - | - |
| Total Noncurrent Liabilities | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | | | |
| Related Debt | 3,246 | - | 3,246 |
| Unrestricted | (1,373) | 58,863 | 57,490 |
| Total Net Position | <u><u>1,873</u></u> | <u><u>58,863</u></u> | <u><u>60,736</u></u> |

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

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

| | Business-Type Activities - Enterprise Fund | | Governmental Activities | Totals Enterprise |
|--|---|---------------------|----------------------------|----------------------|
| | Food Service | Latchkey Program | Internal Service Fund | |
| Operating Revenues: | | | | |
| Charges for Services: | | | | |
| Reimbursable Program Daily Sales | \$ 27,428 | | | 27,428 |
| Non-Reimbursable Program Daily Sales | 13,382 | | | 13,382 |
| Program Revenue | | 38,476 | | 38,476 |
| Total Operating Revenue | <u>40,810</u> | <u>38,476</u> | <u>-</u> | <u>79,286</u> |
| Operating Expenses: | | | | |
| Cost of Sales-Reimbursable | 36,452 | | | 36,452 |
| Cost of Sales- Non Reimbursable | 3,403 | | | 3,403 |
| Salaries and Wages | 51,015 | 29,716 | | 80,731 |
| Fringe Benefits | 3,932 | 2,273 | | 6,205 |
| Other Purchased Services (400-500 series) | 4,500 | | | 4,500 |
| Supplies and Materials | 5,467 | 76 | | 5,543 |
| Depreciation | 55 | | | 55 |
| Miscellaneous | | | | - |
| Total Operating Expenses | <u>104,824</u> | <u>32,065</u> | <u>-</u> | <u>136,889</u> |
| Operating (Loss) | <u>(64,014)</u> | <u>6,411</u> | <u>-</u> | <u>(57,603)</u> |
| Nonoperating Revenues (Expenses): | | | | |
| State Sources: | | | | |
| State School Lunch Program | 980 | | | 980 |
| Federal Sources: | | | | |
| National School Lunch Program | 36,112 | | | 36,112 |
| School Breakfast Program | 11,178 | | | 11,178 |
| Food Distribution Program | 14,185 | | | 14,185 |
| National Snack Program | 272 | | | 272 |
| COVID-19 - Supply Chain | 27,454 | | | 27,454 |
| Prior Year Receivables Canceled | | | | - |
| Total Nonoperating Revenues (Expenses) | <u>90,181</u> | <u>-</u> | <u>-</u> | <u>90,181</u> |
| Income (Loss) before Contributions & Transfers | 26,167 | 6,411 | - | 32,578 |
| Fixed Asset Adjustment | | | | - |
| Transfers In (Out) | <u>30,000</u> | | | <u>30,000</u> |
| Changes in Net Position | 56,167 | 6,411 | | 62,578 |
| Total Net Position - Beginning | <u>(54,294)</u> | <u>52,452</u> | | <u>(1,842)</u> |
| Total Net Position - Ending | <u>\$ 1,873</u> | <u>58,863</u> | <u>-</u> | <u>60,736</u> |

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

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

| | Business-Type Activities - Enterprise Fund | | Governmental Activities | Totals Enterprise |
|--|---|---------------------|----------------------------|----------------------|
| | Food Service | Latchkey Program | Internal Service Fund | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from Customers and Other Income | \$ 39,313 | \$ 38,830 | | \$ 78,143 |
| Payments to Customers | (45,896) | (32,065) | | (77,961) |
| Payments for Employees and Benefits | (55,329) | | | (55,329) |
| Net Cash Provided by Operating Activities | <u>(61,912)</u> | <u>6,765</u> | | <u>(55,147)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| State Sources | 1,080 | | | 1,080 |
| Federal Sources | 81,030 | | | 81,030 |
| Interfunds | 30,149 | | | 30,149 |
| Net Cash Provided by Noncapital Financing Activities | <u>112,259</u> | <u>-</u> | | <u>112,259</u> |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of Equipment | (3,301) | | | (3,301) |
| Net Cash Provided by Investing Activities | <u>(3,301)</u> | <u>-</u> | | <u>(3,301)</u> |
| Net Increase in Cash and Cash Equivalents | 47,046 | 6,765 | | 53,811 |
| Balance - Beginning of Year | (59,797) | 52,098 | 77,346 | 69,647 |
| Balance - End of Year | <u>\$ (12,751)</u> | <u>\$ 58,863</u> | <u>\$ 77,346</u> | <u>\$ 123,458</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | |
| Operating Income | (64,014) | 6,411 | | (57,603) |
| Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities: | | | | |
| Depreciation and Net Amortization | 55 | - | | 55 |
| Food Distribution Program | 14,185 | | | 14,185 |
| (Increase) Decrease in Inventories | (10,259) | | | (10,259) |
| (Increase) Decrease in Accounts Receivable | (550) | 354 | | (196) |
| Increase (Decrease) in Unearned Revenue | (947) | | | (947) |
| Increase (Decrease) in Compensated Absences | (382) | | | (382) |
| Total Adjustments | <u>2,102</u> | <u>354</u> | <u>-</u> | <u>2,456</u> |
| Net Cash Provided by (Used for) Operating Activities | <u>\$ (61,912)</u> | <u>\$ 6,765</u> | <u>\$ -</u> | <u>\$ (55,147)</u> |

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

NOTES TO THE FINANCIAL STATEMENTS

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A. REPORTING ENTITY

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

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

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

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

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS

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

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term

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

debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

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

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

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

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

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

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

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

The following fund types are used by the District:

1. Governmental Funds:

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

- a. **General Fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special Revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.

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

- c. **Capital Projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.
- d. **Debt Service** funds are used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

Fund Balances – Governmental Funds

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

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

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

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

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

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

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

2. Proprietary Funds:

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

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

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

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

D. BASIS OF ACCOUNTING

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

1. Accrual:

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

2. Modified Accrual:

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

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

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

2. Investments:

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

3. Inventories:

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

| | |
|------|----------------------------|
| Food | \$ <u>11,031.00</u> |
| | \$ <u><u>11,031.00</u></u> |

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

4. Capital Assets:

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

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

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

5. Revenues:

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

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

6. Expenditures:

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

7. Compensated Absences:

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

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

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

8. Interfund Activity:

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

9. Budgets/Budgetary Control:

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

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

Significant transfers approved by the Board of Education during the fiscal year were as follows:

| | | |
|---|----|-----------|
| Basic Skills - Salaries of Teachers | \$ | 32,209 |
| Undist. Expend. - Instruction | | |
| Tuition to CSSD & Regional Day Schools | | 39,900 |
| Health Services - Purchased Professional & Technical | | (65,522) |
| Extraordinary Services - Purchased Professional Educational | | 30,931 |
| Required Maintenance - Cleaning Repair & Maintenance | | (38,072) |
| Student Transportation | | |
| Contr. Srv. (Btn Home & School) Vendors | | 65,976 |
| Contr. Srv. Special Ed Students - ESC's & CTSA's | | 72,971 |
| Unallocated Benefits - Employee Benefits | | |
| Other Retirement Contributions | | 72,000 |
| Health Benefits | | (115,312) |
| Capital Outlay | | |
| Undist Exp. Instruction | | 29,441 |
| School bus regular | | (120,000) |

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

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

10. Tuition Receivable:

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

11. Tuition Payable:

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

12. Use of Estimates:

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

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

13. Allocation of Costs:

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

F. IMPACT OF RECENTLY ISSUED ACCOUNTING PRINCIPLES

Adopted Accounting Pronouncements

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

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

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

G. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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

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

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

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

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

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

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

NOTE 2 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$247,025 of the School District's bank balance of \$2,305,105 was exposed to custodial credit risk.

NOTE 3 - INVESTMENTS

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

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

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

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

NOTE 4 – RECEIVABLES

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

| | Governmental Fund Financial Statements | Business-Type Activities Financial Statements | Government Wide Financial Statements |
|------------------------------------|---|--|---|
| | <u> </u> | <u> </u> | <u> </u> |
| State Aid | \$ 68,651 | \$ 37 | \$ 68,688 |
| Federal Aid | 606,179 | 1,865 | 608,044 |
| Other | 983 | 550 | 1,533 |
| | <u>675,813</u> | <u>2,452</u> | <u>678,265</u> |
| Gross Receivables | | | |
| Less: Allowance for Uncollectibles | - | - | - |
| Total Receivables, Net | <u>\$ 675,813</u> | <u>\$ 2,452</u> | <u>\$ 678,265</u> |

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

NOTE 5 – INTERFUND RECEIVABLES AND PAYABLES

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

| Fund | Interfund Receivable | Interfund Payable |
|----------------------|-------------------------|----------------------|
| General Fund | \$ 570,083 | \$ |
| Special Revenue Fund | | 570,083 |
| | \$ 570,083 | \$ 570,083 |

The general fund receivable is comprised of funds due from the special revenue fund. The interfund owed is the result of grants expended but funds have not been reimbursed.

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

NOTE 6 – CAPITAL ASSETS

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

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Disposals/ Adjustments</u> | <u>Ending Balance</u> |
|--|------------------------------|---------------------|-----------------------------------|---------------------------|
| Governmental activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | \$ 38,000 | \$ - | \$ - | \$ 38,000 |
| Construction in Progress | 1,806,915 | - | (1,806,915) | - |
| Total capital assets not being depreciated | <u>1,844,915</u> | <u>-</u> | <u>(1,806,915)</u> | <u>38,000</u> |
| Capital assets being depreciated: | | | | |
| Land Improvements | 429,912 | | | 429,912 |
| Buildings and Improvements | 6,957,522 | 2,133,320 | | 9,090,842 |
| Equipment | 986,070 | | (51,860) | 934,210 |
| Total capital assets being depreciated at | <u>8,373,504</u> | <u>2,133,320</u> | <u>(51,860)</u> | <u>10,454,964</u> |
| Less accumulated depreciation for: | | | | |
| Land Improvements | (190,263) | (20,640) | | (210,903) |
| Buildings and Improvements | (3,400,714) | (224,263) | | (3,624,977) |
| Equipment | (592,751) | (45,821) | 4,750 | (633,822) |
| Total accumulated depreciation | <u>(4,183,728)</u> | <u>(290,724)</u> | <u>4,750</u> | <u>(4,469,702)</u> |
| Governmental activity capital assets, net | <u>\$ 6,034,691</u> | <u>\$ 1,842,596</u> | <u>\$ (1,854,025)</u> | <u>\$ 6,023,262</u> |
| Business-type activities: | | | | |
| Capital assets being depreciated: | | | | |
| Equipment | \$ 141,000 | \$ 3,301 | \$ (2,000) | \$ 142,301 |
| Less accumulated depreciation | <u>(141,000)</u> | <u>(55)</u> | <u>2,000</u> | <u>(139,055)</u> |
| Enterprise Fund capital assets, net | <u>-</u> | <u>3,246</u> | <u>-</u> | <u>3,246</u> |
| Grand Total | <u>\$ 6,034,691</u> | <u>\$ 1,845,842</u> | <u>\$ (1,854,025)</u> | <u>\$ 6,026,508</u> |

Depreciation expense was charged to governmental functions:

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

| | | |
|--|----|---------|
| Regular Instruction | \$ | 104,996 |
| Special Education Instruction | | 18,916 |
| Other Special Instruction | | 4,556 |
| Student and Instruction Related Services | | 91,323 |
| School Administrative Services | | 2,662 |
| General and Business Administrative Services | | 14,043 |
| Plant Operations and Maintenance | | 22,917 |
| Pupil Transportation | | 20,897 |
| Central Services | | 10,414 |
| | \$ | 290,724 |

No interest on debt was capitalized during the year and the amount of interest expense paid on long term debt was \$55,825, for the entity wide statements this was modified by the change in accrued interest of (\$618); for a total charge of \$55,207.

NOTE 7 – LONG-TERM OBLIGATIONS

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

| | Balance July 1, 2022 | Issues or Additions | Payments or Expenditures | Balance June 30, 2023 | Amounts Due Within One Year |
|--------------------------|-------------------------|------------------------|-----------------------------|--------------------------|-----------------------------------|
| Governmental Activities: | | | | | |
| General Obligation Bonds | \$ 2,030,000 | \$ | \$ 90,000 | \$ 1,940,000 | \$ 90,000 |
| Compensated Absences | 110,443 | 16,043 | 23,116 | 103,370 | |
| Net Pension Liability | 744,374 | 224,309 | | 968,683 | |
| | \$ 2,884,817 | \$ 240,352 | \$ 113,116 | \$ 3,012,053 | \$ 90,000 |

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

Bonds Payable

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

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

\$2,254,000 School Bonds dated May 20, 2020, due in annual installments through April 4, 2040, bearing interest at a rate of 2.75%. The balance remaining as of June 30, 2023, is \$1,940,000.

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

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

| June 30, | Principal | Interest | Total |
|-----------|------------------------|----------------------|------------------------|
| 2024 | \$ 90,000.00 | \$ 53,350.00 | \$ 143,350.00 |
| 2025 | 95,000.00 | 50,875.00 | 145,875.00 |
| 2026 | 95,000.00 | 48,263.00 | 143,263.00 |
| 2027 | 100,000.00 | 45,650.00 | 145,650.00 |
| 2028 | 100,000.00 | 42,900.00 | 142,900.00 |
| 2029-2033 | 560,000.00 | 170,912.50 | 730,912.50 |
| 2034-2038 | 630,000.00 | 89,787.50 | 719,787.50 |
| 2039-2040 | 270,000.00 | 11,137.50 | 281,137.50 |
| | <u>\$ 1,940,000.00</u> | <u>\$ 512,875.50</u> | <u>\$ 2,452,875.50</u> |

NOTE 8 – UNEARNED REVENUE

The District has unearned revenue reflected on the Statement of Net Position in the District-Wide Financial Statements of \$24,018. This consists of unearned revenue of \$22,207 in the special revenue fund which is made up of grant proceeds on hand where the grant period overlaps the district's fiscal year and \$1,811 in the food service fund for student meals prepaid.

NOTE 9 – PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF)

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

Public Employees' Retirement System (PERS)

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

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

Defined Contribution Retirement Program (DCRP)

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

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

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF and the PERS rate is 7.5% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2023, 2022 and 2021 were \$918,933, \$922,989 and \$671,716 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2023, 2022 and 2021 were \$90,238, \$73,587 and \$70,295 respectively, equal to the required contributions for each year.

The Board's total payroll for the year ended June 30, 2023, was \$3,196,983. The TPAF covered payroll for the years ending June 30, 2023, 2022 and 2021 were \$2,072,910, \$2,082,711 and \$2,030,907. and the PERS covered payroll was \$407,041, \$455,480 and \$482,626.

During the fiscal years ended June 30, 2023, 2022 and 2021, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$152,614, \$153,946, and \$147,627, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB standards.

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

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

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.

Significant Legislation

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

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

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

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

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

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

the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

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

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

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

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

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

Public Employees' Retirement System

The School District has a liability of \$968,683 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion is 0.00641878810%, which is an increase of 2.15% from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$57,124. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected & actual experience | \$ 6,992 | \$ (6,166) |
| Changes of assumptions | 3,001 | (145,050) |
| Net difference between projected and actual earnings on pension plan investments | 40,093 | - |
| Changes in proportion | 71,677 | (57,401) |
| Total | \$ 121,763 | \$ (208,617) |

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

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

| Year ended June 30, | | |
|------------------------|----|-----------------|
| 2024 | \$ | (79,389) |
| 2025 | | (29,239) |
| 2026 | | (2,054) |
| 2027 | | 24,015 |
| 2028 | | (187) |
| Total | \$ | <u>(86,854)</u> |

Actuarial Assumptions

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

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

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

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

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

**OLDMANS TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

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

Discount Rate

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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

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

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|---------------------------|-------------------------------------|---------------------------|
| Municipality's proportionate share of the net pension liability | \$ 1,161,650 | \$ 968,683 | \$ 804,643 |

Pension plan fiduciary net position.

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

**OLDMANS TOWNSHIP SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
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(CONTINUED)**

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

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

The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

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

| | | |
|--|----|---------------------|
| District's proportionate share of the net pension liability | \$ | - |
| State's proportionate share of the net position liability associated with the District | | <u>9,240,785.00</u> |
| Total | \$ | <u>9,240,785.00</u> |

The net pension liability was measured as of June 30, 2022 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of \$248,695 and revenue of \$248,695 for support provided by the State.

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

| | | |
|---------------------------|--|---|
| Inflation Rate | | |
| Price | | 2.75% |
| Wage | | 3.25% |
| Salary increases | | 2.75% - 5.65% (based on years of service) |
| Investment rate of return | | 7.00% |

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

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

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

Long-Term Expected Rate of Return

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return. |
|-----------------------------------|-------------------|---|
| US Equity | 27.00% | 8.12% |
| Non-U.S. Developed Markets Equity | 13.50% | 8.38% |
| Emerging Markets Equity | 5.50% | 10.33% |
| Private Equity | 13.00% | 11.80% |
| Real Estate | 8.00% | 11.19% |
| Real Assets | 3.00% | 7.60% |
| High Yield | 2.00% | 4.95% |
| Private Credit | 8.00% | 8.10% |
| Investment Grade Credit | 8.00% | 3.38% |
| Cash Equivalents | 4.00% | 1.75% |
| U.S. Treasuries | 5.00% | 1.75% |
| Risk Mitigation Strategies | 3.00% | 4.91% |

Discount rate.

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

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

Sensitivity of the 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 calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|--|--------------------------|------------------------------------|--------------------------|
| District's proportionate share of the net pension liability | \$ - | \$ - | \$ - |
| State's proportionate share of the net position liability associated with the District | \$ 10,835,016.78 | \$ 9,240,785.00 | \$ 7,897,845.04 |

Pension plan fiduciary net position.

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

Additional Information

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

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

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

NOTE 12 – OTHER POST-RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

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

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

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

Total OPEB Liability

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

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

Salary Increases

| TPAF/ABP | PERS | PFRS |
|--|--|---|
| 2.75% to 4.25% based on service years | 2.75% to 6.55% based on service years | 3.25% to 16.25% based on service years |

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

Mortality Rates

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

Discount Rate

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

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

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

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

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

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

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

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

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

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

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of \$7,439 determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

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

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

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

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

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

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

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

NOTE 13 – COMPENSATED ABSENCES

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, the liability for compensated absence was \$103,370 and \$316 in the Food Service Enterprise Fund.

NOTE 14 – DEFERRED COMPENSATION

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

Lincoln Investment Planning, Inc. Prudential Financial Midland National

NOTE 15 – CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-2.13(g) 7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

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

| | | |
|---------------------------------|----|---------|
| Beginning balance, July 1, 2022 | \$ | 300,945 |
| Increased by: | | |
| Interest earnings | \$ | 10 |
| Deposits approved by Board | | 30,000 |
| | | 30,010 |
| Decreased by: | | |
| Withdrawal by Budget | | - |
| | | - |
| Ending balance, June 30, 2023 | \$ | 330,955 |

NOTE 16 – MAINTENANCE RESERVE ACCOUNT

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

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

| | | |
|---------------------------------|----|---------|
| Beginning balance, July 1, 2022 | \$ | 392,089 |
| Increased by: | | |
| Interest earnings | \$ | 30 |
| Deposits approved by Board | | - |
| | | 30 |
| Decreased by: | | |
| Budget Withdrawals | | - |
| | | - |
| Ending balance, June 30, 2023 | \$ | 392,119 |

NOTE 17 – COMMITMENTS

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

| Fund | Amount |
|--------------------------------|-----------|
| General Fund Encumbered Orders | \$ 93,860 |

Of the general fund encumbrances, \$83,487 is for capital outlay.

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

NOTE 18 – RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation fund for the current and previous two years:

| Fiscal Year | Contributions | Interest Earnings | Unemployment Claims | Ending Balance |
|----------------|---------------|----------------------|------------------------|-------------------|
| 2022-2023 | \$ 6387 | \$ 1 | \$ 1 | \$ 135,286 |
| 2021-2022 | 6,903 | | 1 | 128,898 |
| 2020-2021 | | | | 121,994 |

Joint Insurance Fund – The School District is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSD). The Fund provides its members with the following coverages:

- Workers Compensation and Employers Liability
- Automobile and Equipment Liability
- General Liability and Property Damage
- School Board Legal Liability
- Boiler and Machinery

NOTE 19 – CONTINGENT LIABILITIES

Federal and State Grants

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

NOTE 20 – FUND BALANCE APPROPRIATED

General Fund – Of the \$2,188,821 General Fund - Fund balance, at June 30, 2023, \$93,860 is reserved for encumbrances; \$1,113,582 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$558,654 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024), \$330,955 has been reserved in the Capital Reserve Account; \$392,119 has been reserved in a Maintenance Reserve Account; \$0 has been reserved in an Emergency Reserve Account; \$135,286 has been reserved in Unemployment Claims; and \$102,144 is classified as Unassigned.

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

NOTE 21 – CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, c.73, the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$1,113,582, of which \$558,654 has been included in the 2024 fiscal year budget.

NOTE 22 – LITIGATION

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

NOTE 23 – ECONOMIC DEPENDENCY

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

NOTE 24 – DEFICIT IN NET POSITION

Unrestricted Net Position – The School District's governmental activities had a deficit in unrestricted net position in the amount of \$955,366. The primary causes of the deficit are the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employees' Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

NOTE 25 – SUBSEQUENT EVENT

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2023 through December 1, 2023, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|---|------------------|------------------|------------------|------------------|---|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 3,184,237 | | \$ 3,184,237 | \$ 3,184,237 | (20,000) |
| Transportation Fees | 20,000 | | 20,000 | 65,117 | 65,117 |
| Interest Earned on Investments | | | - | 30 | 30 |
| Interest Earned on Maintenance Reserve | 30 | | 30 | 10 | 10 |
| Interest Earned on Capital Reserve | 10 | | 10 | 13,290 | 13,290 |
| Other Restricted Miscellaneous Revenues | | | | 48,137 | 48,137 |
| Unrestricted Miscellaneous | 5,000 | | 5,000 | | |
| Total Local Sources | 3,209,277 | - | 3,209,277 | 3,310,821 | 101,544 |
| State Sources: | | | | | |
| Categorical Special Education Aid | 159,315 | | 159,315 | 159,315 | |
| School Choice Aid | 597,110 | | 597,110 | 597,110 | |
| Security Aid | 44,735 | | 44,735 | 44,735 | |
| Transportation Aid | 136,526 | | 136,526 | 136,526 | |
| Equalization Aid | 1,193,689 | | 1,193,689 | 1,193,689 | |
| Adjustment Aid | 80,274 | | 80,274 | 80,274 | |
| Extraordinary Aid | | | - | 52,651 | 52,651 |
| Nonpublic Transportation | | | - | 1,248 | 1,248 |
| Lead Testing School Aid | | | | | |
| TPAF Pension (On-Behalf - Non-Budgeted) | | | | 727,279 | 727,279 |
| TPAF Post-retirement (On-Behalf - Non-Budgeted) | | | | 191,055 | 191,055 |
| TPAF Long Term Disability Insurance | | | | 599 | 599 |
| TPAF Social Security (Reimbursed-Non-Budgeted) | | | | | |
| Total State Sources | 2,211,649 | - | 2,211,649 | 3,337,095 | 152,614 |
| Total Revenues | 5,420,926 | - | 5,420,926 | 6,647,916 | 1,226,990 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|---|------------------|------------------|------------------|------------------|---|
| EXPENDITURES: | | | | | |
| CURRENT EXPENSE | | | | | |
| REGULAR PROGRAMS - INSTRUCTION | | | | | |
| Preschool - Salaries of Teachers | 37,777 | | 37,777 | 18,441 | 19,336 |
| Kindergarten - Salaries of Teachers | 149,815 | | 149,815 | 149,322 | 493 |
| Grades 1 - 5 Salaries of Teachers | 893,678 | (16,940) | 876,738 | 876,612 | 126 |
| Grades 6 - 8 Salaries of Teachers | 470,784 | 12,902 | 483,686 | 483,686 | |
| Regular Programs - Home Instruction | | | | | |
| Salaries of Teachers | 1,200 | 334 | 1,534 | 1,534 | |
| Regular Programs - Undistributed Instruction | | | | | |
| Other Salaries for Instruction | 588 | | 588 | 194 | 394 |
| Purchased Professional - Educational Services | 5,000 | 2,540 | 7,540 | 7,540 | |
| Other Purchased Services (400-500 series) | 15,000 | (6,898) | 8,102 | 7,791 | 311 |
| General Supplies | 122,532 | 6,593 | 129,125 | 126,915 | 2,210 |
| Textbooks | 25,000 | (5,752) | 19,248 | 19,248 | |
| Other Objects | 500 | | 500 | 432 | 68 |
| TOTAL REGULAR PROGRAMS - INSTRUCTION | 1,721,286 | (6,633) | 1,714,653 | 1,691,715 | 22,938 |
| SPECIAL EDUCATION - INSTRUCTION | | | | | |
| Multiple Disabilities | | | | | |
| Salaries of Teachers | 67,207 | 17,263 | 84,470 | 84,469 | 1 |
| Other Salaries for Instruction | 29,239 | | 29,239 | 18,308 | 10,931 |
| General Supplies | 500 | 264 | 764 | 729 | 35 |
| Total Multiple Disabilities | 96,946 | 17,527 | 114,473 | 103,506 | 10,967 |
| Resource Room/Resource Center | | | | | |
| Salaries of Teachers | 174,534 | | 174,534 | 140,490 | 34,044 |
| Other Salaries for Instruction | 53,276 | | 53,276 | 52,673 | 603 |
| General Supplies | | 4,209 | 4,209 | 1,168 | 3,041 |
| Textbooks | 400 | (264) | 136 | | 136 |
| Total Resource Room/Resource Center | 228,210 | 3,945 | 232,155 | 194,331 | 37,824 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|------------------|------------------|------------------|------------------|---|
| Special Education - Preschool Disabled Part-time | | | | | |
| Other Salaries for Instruction | 13,011 | | 13,011 | 6,908 | 6,103 |
| General Supplies | 250 | | 250 | 38 | 212 |
| Total Preschool Disabled Part-time | 13,261 | - | 13,261 | 6,946 | 6,315 |
| TOTAL SPECIAL EDUCATION - INSTRUCTION | 338,417 | 21,472 | 359,889 | 304,783 | 55,106 |
| Basic Skills/Remedial - Instruction | | | | | |
| Salaries of Teachers | 30,086 | 32,209 | 62,295 | 55,513 | 6,782 |
| General Supplies | 500 | (500) | - | | |
| Total Basic Skills/Remedial - Instruction | 30,586 | 31,709 | 62,295 | 55,513 | 6,782 |
| School-Spon. Cocurricular Activities - Instruction | | | | | |
| Salaries | 10,000 | 3,350 | 13,350 | 13,350 | |
| Supplies & Materials | 200 | (69) | 131 | 131 | |
| Total School-Spon. Cocurricular Activities - Inst. | 10,200 | 3,281 | 13,481 | 13,481 | |
| School-Spon. Cocurricular Athletics - Instruction | | | | | |
| Salaries | 4,500 | | 4,500 | 3,936 | 564 |
| Other Purchased Services (400-500 series) | 500 | (25) | 475 | 475 | |
| Total School-Spon. Cocurricular Athletics - Inst. | 5,000 | (25) | 4,975 | 4,411 | 564 |
| TOTAL INSTRUCTION | 2,105,489 | 49,804 | 2,155,293 | 2,069,903 | 85,390 |
| UNDISTRIBUTED EXPENDITURES | | | | | |
| Undistributed Expenditures - Instruction | | | | | |
| Tuition to Other LEAs Within the State-Regular | 303,779 | | 303,779 | 303,779 | |
| Tuition to Other LEAs Within the State-Special | 6,840 | | 6,840 | 6,840 | |
| Tuition to County Voc. School Dist. - Regular | 267,945 | | 267,945 | 267,945 | |
| Tuition to CSSD & Regional Day Schools | 164,080 | 39,900 | 203,980 | 203,944 | 36 |
| Total Undistributed Expenditures - Instruction | 742,644 | 39,900 | 782,544 | 782,508 | 36 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|-----------------|------------------|--------------|---------|---|
| Undistributed Expend. - Attend. & Social Work Services Salaries | 25,218 | | 25,218 | 21,851 | 3,367 |
| Total Undist. Expend. - Attend. & Social Work Services | 25,218 | - | 25,218 | 21,851 | 3,367 |
| Undistributed Expend. - Social Worker Salaries | - | | - | - | - |
| Total Undist. Expend. - Social Worker | - | - | - | - | - |
| Undistributed Expend. - Health Services Salaries | 65,907 | 1,275 | 67,182 | 67,182 | |
| Purchased Professional and Technical Services Supplies & Materials | 77,100 | (65,522) | 11,578 | 1,881 | 9,697 |
| Total Undistributed Expend. - Health Services | 145,682 | (58,295) | 87,387 | 8,579 | 48 |
| Undist. Expend. - Speech, PT, OT & Related Services Salaries | 51,878 | | 51,878 | 51,878 | |
| Purchased Professionals - Educational Services Supplies & Materials | 1,750 | (420) | 1,330 | 144 | 1,186 |
| Total Undist. Expend.-Speech, PT, OT & Rel. Svces | 1,600 | | 1,600 | 724 | 876 |
| | 55,228 | (420) | 54,808 | 52,746 | 2,062 |
| Undist. Expend. - Other Support Serv. Students - Extraordinary Services Salaries | 71,553 | (497) | 71,056 | 53,746 | 17,310 |
| Purchased Professional-Educational Services | 145,335 | 30,931 | 176,266 | 175,804 | 462 |
| Total Undist. Expend. - Other Support Services Students - Extraordinary Services | 216,888 | 30,434 | 247,322 | 229,550 | 17,772 |
| Undist. Expenditures - Guidance Salaries of Other Professional Staff | 64,847 | (956) | 63,891 | 63,891 | |
| Purchased Professional - Educational Services Supplies & Materials | 1,120 | 1,191 | 1,191 | 147 | 1,191 |
| Total Undistributed Expend. - Guidance | 65,967 | 235 | 66,202 | 64,038 | 973 |
| | | | | | 2,164 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|-----------------|------------------|----------------|----------------|---|
| Undist. Expend. - Child Study Teams | | | | | |
| Purchased Professional - Education Services | 35,000 | 14,300 | 49,300 | 32,050 | 17,250 |
| Total Undist. Expend. - Child Study Teams | <u>35,000</u> | <u>14,300</u> | <u>49,300</u> | <u>32,050</u> | <u>17,250</u> |
| Undist. Expend. - Improvement of Inst. Services | | | | | |
| Salaries of Supervisor of Instruction | 101,961 | | 101,961 | 95,696 | 6,265 |
| Salaries of Sec and Clerical Assist. | 15,223 | 570 | 15,793 | 15,793 | |
| Purchased Professional - Education Services | 1,670 | (570) | 1,100 | 817 | 283 |
| Miscellaneous Purchased Services (400-500 series) | 5,800 | (300) | 5,500 | 2,930 | 2,570 |
| Supplies & Materials | 3,500 | (275) | 3,225 | 1,156 | 2,069 |
| Other Objects | 850 | | 850 | 845 | 5 |
| Total Undist. Expend. - Improvement of Inst. Serv. | <u>129,004</u> | <u>(575)</u> | <u>128,429</u> | <u>117,237</u> | <u>11,192</u> |
| Undist. Expend. - Edu. Media Serv./Sch. Library | | | | | |
| Salaries of Other Professional Staff | 74,799 | | 74,799 | 73,321 | 1,478 |
| Purchased Professional and Technical Services | 15,000 | | 15,000 | 15,000 | |
| Other Purchased Services (400-500 series) | 232 | | 232 | 232 | |
| Supplies & Materials | 5,000 | 305 | 5,305 | 5,213 | 92 |
| Total Undistributed Expenditures - Educational Media Services - School Library | <u>95,031</u> | <u>305</u> | <u>95,336</u> | <u>93,534</u> | <u>1,802</u> |
| Undist. Expend. - Instructional Staff Training Serv. | | | | | |
| Other Purchased Services (400-500 series) | 600 | (30) | 570 | 235 | 335 |
| Supplies & Materials | 600 | (572) | 28 | 27 | 1 |
| Total Undistributed Expenditures - Instructional Staff Training Services | <u>1,200</u> | <u>(602)</u> | <u>598</u> | <u>262</u> | <u>336</u> |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|-----------------|------------------|----------------|----------------|---|
| Undist. Expend. - Supp. Serv. - General Admin. | | | | | |
| Salaries of Other Professional Staff | 115,104 | 12,725 | 127,829 | 127,828 | 1 |
| Legal Services | 11,000 | 15,075 | 26,075 | 25,888 | 187 |
| Audit Fees | 19,000 | 1,000 | 20,000 | 20,000 | |
| Other Purchased Professional Services | 3,500 | 6,100 | 9,600 | 9,600 | |
| Communications/Telephone | 21,000 | (5,539) | 15,461 | 15,460 | 1 |
| Misc. Purch Serv (400-500) [Other than 530 & 585] | 14,000 | 7,937 | 21,937 | 21,786 | 151 |
| BOE Other Purchased Services | | | | | |
| General Supplies | 2,000 | (1,155) | 845 | 845 | |
| Miscellaneous Expenditures | 2,400 | 760 | 3,160 | 1,661 | 1,499 |
| BOE Membership Dues/Fees | 3,200 | (10) | 3,190 | 3,189 | 1 |
| Total Undistr. Expend. - Support Svs - Gen.Admin. | 191,204 | 36,893 | 228,097 | 226,257 | 1,840 |
| Undist. Expend. - Supp. Serv. - School Admin. | | | | | |
| Salaries of Secretarial Asst. | 43,324 | | 43,324 | 42,422 | 902 |
| Supplies and Materials | 2,000 | (1,535) | 465 | 464 | 1 |
| Total Undistributed Expenditures - Support Services - School Administration | 45,324 | (1,535) | 43,789 | 42,886 | 903 |
| Undist. Expend. - Central Services | | | | | |
| Salaries | 142,437 | (437) | 142,000 | 133,237 | 8,763 |
| Miscellaneous Purchased Services (400-500 series) | 19,000 | (605) | 18,395 | 18,394 | 1 |
| Supplies and Materials | 5,000 | (2,737) | 2,263 | 2,262 | 1 |
| Miscellaneous Expenditures | 1,300 | 330 | 1,630 | 1,628 | 2 |
| Total Undistributed Expenditures - Central Services | 167,737 | (3,449) | 164,288 | 155,521 | 8,767 |
| Undist. Expend. - Admin Info Tech. | | | | | |
| Purchased Technical Services | 5,500 | 5,229 | 10,729 | 10,728 | 1 |
| Supplies and Materials | | 1,560 | 1,560 | 1,552 | 8 |
| Total Undistributed Expenditures - Admin Info. Tech. | 5,500 | 6,789 | 12,289 | 12,280 | 9 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|-----------------|------------------|----------------|----------------|---|
| Undist. Expend. - Required Maint. School Fac. Salaries | 182,967 | (38,072) | 144,895 | 56,942 | 87,953 |
| Cleaning, Repair and Maintenance Services General Supplies | 10,000 | | 10,000 | 6,882 | 3,118 |
| Total Undistributed Expenditures - Required Maintenance for School Facilities | 192,967 | (38,072) | 154,895 | 63,824 | 91,071 |
| Custodial Services Other Oper. & Maint. of Plant Salaries | 137,904 | | 137,904 | 127,583 | 10,321 |
| Salaries - Non- Instructional Aides | 24,132 | | 24,132 | 23,615 | 517 |
| Cleaning, Repair and Maintenance Services Other Purchased Property Services | 45,000 | | 45,000 | 22,364 | 22,636 |
| Insurance | 4,500 | 4,595 | 9,095 | 8,214 | 881 |
| General Supplies | 13,950 | (3,950) | 10,000 | 10,000 | |
| Energy (Electricity) | 25,000 | | 25,000 | 13,966 | 11,034 |
| Total Undistributed Expenditures - Custodial Services | 140,000 | | 140,000 | 99,686 | 40,314 |
| Total Undistributed Expenditures Operations and Maintenance of Plant | 390,486 | 645 | 391,131 | 305,428 | 85,703 |
| Total Undistributed Expenditures Operations and Maintenance of Plant | 583,453 | (37,427) | 546,026 | 369,252 | 176,774 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|---|-----------------|------------------|----------------|------------------|---|
| Undist. Expend. - Student Transportation Serv. | | | | | |
| Salaries - Non-instructional aides | 11,958 | 1 | 11,959 | 11,958 | 1 |
| Salaries - (Between Home & Sch) - Regular | 92,410 | (5,889) | 86,521 | 86,521 | |
| Salaries - (Between Home & Sch) - Special | 1,000 | | 1,000 | | 1,000 |
| Salaries - (Other than Home & Sch) | 1,500 | | 1,500 | 707 | 793 |
| Purchased Professional and Technical Services | | | | | |
| Cleaning, Repair and Maintenance Services | 22,000 | | 22,000 | 15,256 | 6,744 |
| Contr. Serv. - Aid in Lieu Payments - NonPub Sch | 5,000 | 1,132 | 6,132 | 6,132 | |
| Contr. Serv. - (Btm Home & School) - Vendors | 10,000 | 65,976 | 75,976 | 75,956 | 20 |
| Contr. Serv. - (Other than Btm Home & School) - Vendors | 2,000 | 1,555 | 3,555 | 3,555 | |
| Contr. Serv. - (Special Ed Students) - ESC's & CTSA's | 75,000 | 72,971 | 147,971 | 96,385 | 51,586 |
| Miscellaneous Purchased Services | 6,500 | | 6,500 | 6,231 | 269 |
| Transportation Supplies | 35,000 | (998) | 34,002 | 34,002 | |
| Total Undistributed Expenditures - Student Transportation Services | 262,368 | 134,748 | 397,116 | 336,703 | 60,413 |
| Unallocated Benefits - Employee Benefits | | | | | |
| Social Security Contribution | 65,000 | 9,927 | 74,927 | 73,705 | 1,222 |
| Other Retirement Contributions - PERS | 79,000 | 72,000 | 151,000 | 90,238 | 60,762 |
| Unemployment | 10,000 | (8,945) | 1,055 | 893 | 162 |
| Workmen's Compensation | 23,215 | 10,367 | 33,582 | 13,582 | 20,000 |
| Health Benefits | 719,914 | (115,312) | 604,602 | 604,601 | 1 |
| Tuition Reimbursement | 14,000 | (807) | 13,193 | 7,710 | 5,483 |
| Other Employee Benefits | 45,930 | 859 | 46,789 | 43,240 | 3,549 |
| Unused Sick Payment to Staff/Normal Retirements | 5,000 | | 5,000 | | 5,000 |
| Total Unallocated Benefits | 962,059 | (31,911) | 930,148 | 833,969 | 96,179 |
| On-Behalf Contributions | | | | | |
| On-Behalf TPAF Pension Contribution (non-bud) | | | - | 727,279 | (727,279) |
| On-Behalf TPAF Post-retir. Contribution (non-bud) | - | | - | 191,055 | (191,055) |
| On-Behalf TPAF Long Term Disability Insurance | | | - | 599 | (599) |
| Reimbursed TPAF Social Security Cont.(non-bud) | | | - | 152,614 | (152,614) |
| Total On-Behalf Contributions | - | - | - | 1,071,547 | (1,071,547) |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|------------------|------------------|------------------|------------------|---|
| Total Personal Services - Employee Benefits | 962,059 | (31,911) | 930,148 | 1,905,516 | (975,368) |
| TOTAL UNDISTRIBUTED EXPENDITURES | 3,729,507 | 129,390 | 3,858,897 | 4,519,833 | (660,936) |
| TOTAL GENERAL CURRENT EXPENSE | 5,834,996 | 179,194 | 6,014,190 | 6,589,736 | (575,546) |
| CAPITAL OUTLAY | | | | | |
| Equipment | | | | | |
| Regular Programs - Instruction | | 29,441 | 29,441 | 29,441 | |
| Undistributed Exp. - Instruction | | 7,925 | 7,925 | 7,925 | |
| Undistributed Exp. - Required Maintenance | | (120,000) | - | - | |
| School buses - regular | 120,000 | | | | |
| Total Equipment | 120,000 | (82,634) | 37,366 | 37,366 | |
| Facilities Acquisition and Construction Services | | | | | |
| Architectural/Engineering Services | | 11,878 | 11,878 | 10,801 | 1,077 |
| Construction Services | | 277,630 | 277,630 | 194,143 | 83,487 |
| Total Facilities Acquisition and Construction Services | - | 289,508 | 289,508 | 204,944 | 84,564 |
| TOTAL CAPITAL OUTLAY | 120,000 | 206,874 | 326,874 | 242,310 | 84,564 |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|--|---------------------|---------------------|---------------------|---------------------|---|
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (534,070) | (386,068) | (920,138) | (184,130) | 736,008 |
| Other Financing Sources/(Uses): | | | | | |
| Operating Transfers: | | | | | |
| Transfer to Cover Deficit - Food Service Fund | 30,000 | | 30,000 | 30,000 | - |
| Total Other Financing Sources/(Uses): | 30,000 | - | 30,000 | 30,000 | - |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses) | (504,070) | (386,068) | (950,138) | (214,130) | 736,008 |
| Fund Balance July 1 | 2,604,706 | | 2,604,706 | 2,604,706 | - |
| Fund Balance June 30 | <u>\$ 2,100,636</u> | <u>\$ (386,068)</u> | <u>\$ 1,654,568</u> | <u>\$ 2,390,576</u> | <u>\$ 736,008</u> |
| Recapitulation: | | | | | |
| Restricted Fund Balance: | | | | | |
| Excess Surplus - Designated for Subsequent Year's Expenditures | | | | \$ 558,654 | |
| Excess Surplus - Current Year | | | | 554,928 | |
| Capital Reserve | | | | 330,955 | |
| Maintenance Reserve | | | | 392,119 | |
| Unemployment Claims | | | | 135,286 | |
| Assigned Fund Balance: | | | | | |
| Year-End Encumbrances | | | | 93,860 | |
| Designated for Subsequent Year's Expenditures | | | | 20,875 | |
| Unassigned Fund Balance | | | | | |
| General Fund | | | | <u>303,899</u> | |
| | | | | <u>2,390,576</u> | |
| Reconciliation to Governmental Funds Statements (GAAP): | | | | | |
| Last Two State Aid Payments not recognized on GAAP Basis | | | | (201,755) | |
| | | | | <u>\$ 2,188,821</u> | |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance with Under/(Over) Final Budget to Actual |
|---|-------------------|-------------------|-------------------|-------------------|---|
| REVENUES: | | | | | |
| Local Sources | \$ 12,500 | 1,862 | \$ 14,362 | \$ 51,554 | \$ 37,192 |
| State Sources | | 1,326 | 1,326 | 1,326 | - |
| Federal Sources | 123,491 | 294,494 | 417,985 | 243,302 | (174,683) |
| Total Revenues | 135,991 | 297,682 | 433,673 | 296,182 | (137,491) |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of Teachers | 28,579 | 108,718 | 137,297 | 76,420 | 60,877 |
| Purchased Professional and Technical Services | | 29,139 | 29,139 | 9,272 | 19,867 |
| General Supplies | 26,294 | 4,649 | 30,943 | 7,933 | 23,010 |
| Other Objects | | - | - | | |
| Total Instruction | 54,873 | 142,506 | 197,379 | 93,625 | 103,754 |
| Support Services: | | | | | |
| Other Salaries | | 53,898 | 53,898 | 24,929 | 28,969 |
| Personal Services - Employee Benefits | | 25,522 | 25,522 | 18,421 | 7,101 |
| Purchased Professional - Educational Services | | | | | |
| Other Professional Services | | 1,326 | 1,326 | 1,326 | |
| Purchased Professional Technical Services | 68,618 | 48,287 | 116,905 | 95,267 | 21,638 |
| Other Purchased Services (400-500 series) | | 9,748 | 9,748 | 14,079 | 9,748 |
| General Supplies | 2,500 | 16,395 | 18,895 | 4,816 | 4,816 |
| Student Activities | 10,000 | | 10,000 | 46,845 | (36,845) |
| Total Support Services | 81,118 | 155,176 | 236,294 | 200,867 | 35,427 |
| Total Expenditures | \$ 135,991 | \$ 297,682 | \$ 433,673 | \$ 294,492 | \$ 139,181 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ - | \$ - | \$ - | \$ 1,690 | \$ 1,690 |
| Fund Balance, July 1 | | | | 31,082 | |
| Fund Balance, June 30 | | | | 32,772 | |

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

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

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

| | General Fund | Special Revenue Fund |
|---|--------------|----------------------|
| Sources / inflows of resources | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule | \$ 6,647,916 | 296,182 |
| Difference - budget to GAAP: | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | |
| Prior Year | | |
| Current Year | | |
| The Final State Aid payment for the Year Ended June 30, 2022 that was delayed until July 2022 was recorded as budgetary revenue for the Year Ended June 30, 2022 but is not recognized under GAAP until the Year Ended June 30, 2023. | 186,620 | |
| The Final State Aid payment for the Year Ended June 30, 2023 that was delayed until July 2023 was recorded as budgetary revenue for the Year Ended June 30, 2023 but is not recognized under GAAP until the Year Ended June 30, 2024. | (201,755) | |
| | 6,632,781 | 296,182 |
| Uses / outflows of resources | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule | 6,832,046 | 294,492 |
| Difference - budget to GAAP: | | |
| Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for GAAP financial reporting purposes. | | |
| Prior Year | | - |
| Current Year | | - |
| Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds. | \$ 6,832,046 | 294,492 |

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**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| District's proportion of the net pension liability (asset) | 0.0004187881% | 0.0062834925% | 0.0064300000% | 0.0060000000% | 0.0067300000% | 0.0067300000% | 0.0063000000% | 0.0057800000% | 0.0060600000% | 0.0055000000% |
| District's proportionate of the net pension liability (asset) | \$ 968,683 | \$ 744,374 | \$ 1,047,881 | \$ 1,081,159 | \$ 1,325,385 | 1,466,017 | 1,712,881 | 1,361,165 | 1,030,086 | 1,088,639 |
| District's covered payroll | \$ 407,041 | \$ 455,480 | \$ 482,626 | \$ 462,874 | \$ 470,169 | 468,219 | 432,732 | 423,865 | 372,589 | 379,031 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 237.98% | 163.43% | 217.12% | 233.58% | 281.90% | 313.10% | 395.83% | 321.13% | 276.47% | 287.22% |
| 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% | # | 48.72% |

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

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Contractually required contribution | 80,944 | 73,587 | 70,295 | 58,365 | 69,956 | 58,342 | 51,379 | 55,531 | 45,356 | 42,919 |
| Contributions in relation to the contractually required contribution | 80,944 | 73,587 | 70,295 | 58,365 | 69,956 | 58,342 | 51,379 | 55,531 | 45,356 | 42,919 |
| Contribution deficiency (excess) | - | - | - | - | - | - | - | - | - | - |
| District's covered-employee payroll | 407,041 | 455,480 | 482,626 | 462,874 | 470,169 | 468,219 | 432,732 | 423,865 | 372,589 | 379,031 |
| Contributions as a percentage of covered-employee payroll | 19.89% | 16.16% | 14.57% | 12.61% | 14.88% | 12.46% | 11.87% | 13.10% | 12.17% | 11.32% |

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

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

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|-------------------|-------------------|------------------|------------------|
| District's proportion of the net pension liability (asset) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| District's proportionate of the net pension liability (asset) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - | - | - | - |
| State's proportionate share of the net pension liability (asset) associated with the District | 9,240,785 | 8,293,571 | 10,999,695 | 9,971,737 | 11,194,697 | 11,332,121 | 13,373,814 | 10,036,243 | 8,085,168 | 7,413,526 |
| Total | \$ 9,240,785 | \$ 8,293,571 | \$ 10,999,695 | \$ 9,971,737 | \$ 11,194,697 | \$ 11,332,121 | 13,373,814 | 10,036,243 | 8,085,168 | 7,413,526 |
| District's covered payroll | 2,072,910 | 2,082,711 | 2,030,907 | 1,895,092 | 1,800,373 | 1,572,682 | 1,791,474 | 1,719,816 | 1,693,862 | 1,581,910 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Plan fiduciary net position as a percentage of the total pension liability | 32.29% | 35.52% | 24.60% | 26.95% | 26.49% | 25.41% | 22.33% | 28.71% | 33.64% | 33.64% |

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

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

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

| | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|
| District's proportion of the net OPEB liability (asset) | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| District's proportionate of the net OPEB liability (asset) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State's proportionate share of the net OPEB liability (asset) associated with the District | <u>\$ 9,595,359</u> | <u>\$ 10,905,920</u> | <u>\$ 12,849,781</u> | <u>\$ 7,787,573</u> | <u>\$ 9,230,073</u> | <u>\$ 11,051,910</u> |
| Total | <u>\$ 9,595,359</u> | <u>\$ 10,905,920</u> | <u>\$ 12,849,781</u> | <u>\$ 7,787,573</u> | <u>\$ 9,230,073</u> | <u>\$ 11,051,910</u> |
| District's covered payroll | \$ 2,479,951 | \$ 2,538,191 | \$ 2,513,533 | \$ 2,357,966 | \$ 2,270,542 | \$ 2,040,901 |
| District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| State's proportionate share of OPEB associated with the District: | | | | | | |
| Service Cost | 525,330 | 586,412 | 317,270 | 302,781 | 352,461 | 422,000 |
| Interest Cost | 254,288 | 282,911 | 279,906 | 364,475 | 404,049 | 347,976 |
| Differences between Expected & Actual | 727,661 | (2,608,322) | 2,334,743 | (1,993,900) | (1,280,871) | - |
| Changes in Assumptopns | (2,574,041) | 10,760 | 2,347,213 | 116,113 | (1,059,197) | (1,381,610) |
| Member Contributions | 8,080 | 7,233 | 6,780 | 7,086 | 8,530 | 9,426 |
| Benefit Payments | (251,879) | (222,855) | (223,704) | (239,055) | (246,809) | (255,986) |
| Change in Total Opeb Liability | <u>(1,310,561)</u> | <u>(1,943,861)</u> | <u>5,062,208</u> | <u>(1,442,500)</u> | <u>(1,821,837)</u> | <u>(858,194)</u> |
| State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance | <u>10,905,920</u> | <u>12,849,781</u> | <u>7,787,573</u> | <u>9,230,073</u> | <u>11,051,910</u> | <u>11,910,104</u> |
| Ending Balance | <u><u>9,595,359</u></u> | <u><u>10,905,920</u></u> | <u><u>12,849,781</u></u> | <u><u>7,787,573</u></u> | <u><u>\$ 9,230,073</u></u> | <u><u>\$ 11,051,910</u></u> |
| State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll | 386.92% | 429.67% | 511.22% | 330.27% | 406.51% | 541.52% |

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

Note: This schedule is required by GASB 75 to be show information for a 10 year period.
 However, information is only currently available for six years.
 Additional years will be presented as they become available.

OTHER SUPPLEMENTARY INFORMATION

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

| | Scholarship Funds | Student Activity | Title IV | CRRSA/ ESSER II | CRRSA/ Learning Acceleration | CRRSA/ Mental Health |
|--|-------------------|------------------|---------------|-----------------|------------------------------|----------------------|
| REVENUES: | | | | | | |
| Local Sources | \$ | 48,535 | | | | |
| State Sources | | | 12,634 | 10,330 | 2,319 | 22,559 |
| Federal Sources | | | | | | |
| Total Revenues | | <u>48,535</u> | <u>12,634</u> | <u>10,330</u> | <u>2,319</u> | <u>22,559</u> |
| EXPENDITURES: | | | | | | |
| Instruction: | | | | | | |
| Salaries of Teachers | | | 5,400 | | 750 | |
| Purchased Professional and Technical Services | | | 7,234 | | 580 | |
| General Supplies | | | | | | |
| Total Instruction | | | <u>12,634</u> | | <u>1,330</u> | |
| Support Services: | | | | | | |
| Salaries of Other Professional Staff | | | | | 534 | 19,939 |
| Personal Services - Employee Benefits | | | | | 99 | 1,525 |
| Other Professional Services | | | | | | |
| Purchased Professional & Technical Services | | | | 10,330 | 356 | 569 |
| General Supplies | | | | | | 526 |
| Student Activities | | 46,845 | | | | |
| Total Support Services | | <u>46,845</u> | | <u>10,330</u> | <u>989</u> | <u>22,559</u> |
| Total Expenditures | | <u>46,845</u> | <u>12,634</u> | <u>10,330</u> | <u>2,319</u> | <u>22,559</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ | 1,690 | | | | |
| Fund Balance, July 1 | 1,810 | 29,272 | | | | |
| Fund Balance, June 30 | <u>1,810</u> | <u>30,962</u> | | | | |

OLDMANS TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2022

| | | Cares Emergency Relief | ARP ESSER Summer | ARP ESSER Beyond School | ARP ESSER Learning | ARP ESSER Mental |
|---|----|------------------------------|------------------------|-------------------------------|--------------------------|------------------------|
| REVENUES: | | | | | | |
| Local Sources | \$ | | \$ | | | |
| State Sources | | | | | | |
| Federal Sources | | 204 | 16,083 | 119 | 13,716 | 4,796 |
| Total Revenues | | <u>204</u> | <u>16,083</u> | <u>119</u> | <u>13,716</u> | <u>4,796</u> |
| EXPENDITURES: | | | | | | |
| Instruction: | | | | | | |
| Salaries of Teachers | | | 14,940 | | 1,620 | |
| Purchased Professional and Technical Services | | | | 119 | 3,872 | |
| General Supplies | | | | | | |
| Total Instruction | | <u>-</u> | <u>14,940</u> | <u>119</u> | <u>5,492</u> | <u>-</u> |
| Support Services: | | | | | | |
| Salaries of Other Professional Staff | | | | | | 4,456 |
| Personal Services - Employee Benefits | | | 1,143 | | 124 | 340 |
| Other Professional Services | | | | | | |
| Purchased Professional & Technical Services | | | | | 8,100 | |
| General Supplies | | 204 | | | | |
| Student Activities | | | | | | |
| Total Support Services | | <u>204</u> | <u>1,143</u> | <u>-</u> | <u>8,224</u> | <u>4,796</u> |
| Total Expenditures | | <u>204</u> | <u>16,083</u> | <u>119</u> | <u>13,716</u> | <u>4,796</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balance, July 1 | | | | | | |
| Fund Balance, June 30 | \$ | | | \$ | | |

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

| | Non Public Handicapped Speech | Safety Award | Title I Part A | I.D.E.A. Part B | IDEA Preschool | Totals 2023 |
|---|-------------------------------------|-----------------|-------------------|--------------------|-------------------|------------------|
| REVENUES: | | | | | | |
| Local Sources | | 3,019 | | | \$ | 51,554 |
| State Sources | 1,326 | | 74,300 | 84,486 | 1,756 | 1,326 |
| Federal Sources | | | | | | 243,302 |
| Total Revenues | <u>1,326</u> | <u>3,019</u> | <u>74,300</u> | <u>84,486</u> | <u>1,756</u> | <u>296,182</u> |
| EXPENDITURES: | | | | | | |
| Instruction: | | | | | | |
| Salaries of Teachers | | | 59,110 | | | 76,420 |
| Purchased Professional and Technical Services | | | | | | 9,272 |
| General Supplies | | | | | | 7,933 |
| Total Instruction | <u>-</u> | <u>-</u> | <u>59,110</u> | <u>-</u> | <u>-</u> | <u>93,625</u> |
| Support Services: | | | | | | |
| Salaries of Other Professional Staff | | | | | | 24,929 |
| Personal Services - Employee Benefits | | | 15,190 | | | 18,421 |
| Other Professional Services | 1,326 | | | 84,486 | 1,756 | 1,326 |
| Purchased Professional & Technical Services | | 3,019 | | | | 95,267 |
| General Supplies | | | | | | 14,079 |
| Student Activities | | | | | | 46,845 |
| Total Support Services | <u>1,326</u> | <u>3,019</u> | <u>15,190</u> | <u>84,486</u> | <u>1,756</u> | <u>200,867</u> |
| Total Expenditures | <u>1,326</u> | <u>3,019</u> | <u>74,300</u> | <u>84,486</u> | <u>1,756</u> | <u>294,492</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ - | - | - | - | - | \$ 1,690 |
| Fund Balance, July 1 | | | | | | 31,082 |
| Fund Balance, June 30 | | | | | | <u>\$ 32,772</u> |

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

| Project Title/Issue | Original Date | Original Appropriations | GAAP Expenditures to Date | | Unexpended Balance June 30, 2023 |
|--|---------------|-------------------------|---------------------------|---------------|----------------------------------|
| | | | Prior Years | Current Years | |
| Undertake renovations, alterations, and improvements | 8/8/2019 | \$ 2,254,000 | \$ 1,806,916 | \$ - | \$ 447,084 |
| | | <u>\$ 2,254,000</u> | <u>1,806,916</u> | <u>-</u> | <u>447,084</u> |

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

| | |
|------------------------|--------------------------|
| Fund Balances, July 1 | <u>447,084</u> |
| Fund Balances, June 30 | <u><u>\$ 447,084</u></u> |

OLDMANS TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Various Improvements and/or Renovations
From Inception and for the Year Ended June 30, 2023

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|--|-------------------|--------------|------------------|--------------------------------|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| Local Sources | | | | |
| Bond proceeds and transfers | \$ 2,254,000 | | \$ 2,254,000 | \$ 2,254,000 |
| Total Revenues | <u>2,254,000</u> | <u>-</u> | <u>2,254,000</u> | <u>2,254,000</u> |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Legal service | 14,205 | | 14,205 | 16,000 |
| Professional services | 160,307 | | 160,307 | 176,003 |
| Construction services | 1,632,404 | | 1,632,404 | 2,061,997 |
| Total Expenditures | <u>1,806,916</u> | <u>-</u> | <u>1,806,916</u> | <u>2,254,000</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>\$ 447,084</u> | <u>-</u> | <u>447,084</u> | <u>-</u> |
| ADDITIONAL PROJECT INFORMATION: | | | | |
| Project Number | 3860-010-19-1000 | | | |
| Grant Date | 8/9/2019 | | | |
| Bond Authorization Date | 8/13/2019 | | | |
| Bonds Authorized | 2,254,559 | | | |
| Bonds Issued | 2,254,000 | | | |
| Original Cost Authorized | 2,254,599 | | | |
| Additional Authorized Cost | - | | | |
| Revised Authorized Cost | 2,254,599 | | | |
| Percentage Increase over Original Authorized Cost | 0.00% | | | |
| Percentage Completion | 80.16% | | | |
| Original Target Completion Date | 10/31/2020 | | | |
| Revised Target Completion Date | 12/31/2021 | | | |

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

| Improvement Description | Date of Issue | Amount of Original Issue | Maturities of Bonds | | Interest Rate | Balance June 30, 2022 | Decreased | Balance June 30, 2023 |
|---------------------------|---------------|--------------------------|---------------------------|-----------|---------------|-----------------------|------------------|-----------------------|
| | | | Outstanding June 30, 2023 | Date | | | | |
| School Bonds, Series 2020 | 5/20/2020 | \$ 2,254,000 | 90,000 | 4/1/2024 | 2.750% | \$ 2,030,000 | \$ 90,000 | \$ 1,940,000 |
| | | | 95,000 | 4/1/25-26 | 2.750% | | | |
| | | | 100,000 | 4/1/27-28 | 2.750% | | | |
| | | | 105,000 | 4/1/2029 | 2.750% | | | |
| | | | 110,000 | 4/1/30-31 | 2.750% | | | |
| | | | 115,000 | 4/1/2032 | 2.750% | | | |
| | | | 120,000 | 4/1/33-34 | 2.750% | | | |
| | | | 125,000 | 4/1/35-36 | 2.750% | | | |
| | | | 130,000 | 4/1/37-38 | 2.750% | | | |
| | | | 135,000 | 4/1/39-40 | 2.750% | | | |
| | | | | | | <u>\$ 2,030,000</u> | <u>\$ 90,000</u> | <u>\$ 1,940,000</u> |

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Positive (Negative) Final to Actual |
|--|--------------------|---------------------|-----------------|-----------|--|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 89,447 | | \$ 89,447 | \$ 89,447 | \$ - |
| State Sources: | | | | | |
| Debt Service Aid | 44,621 | | 44,621 | 44,621 | |
| Total Revenues | 134,068 | - | 134,068 | 134,068 | - |
| EXPENDITURES: | | | | | |
| Regular Debt Service: | | | | | |
| Redemption of Principal | 90,000 | | 90,000 | 90,000 | - |
| Interest on Bonds | 55,825 | | 55,825 | 55,825 | - |
| Total Regular Debt Service | 145,825 | - | 145,825 | 145,825 | - |
| Total Expenditures | 145,825 | - | 145,825 | 145,825 | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (11,757) | - | (11,757) | (11,757) | - |
| Excess (Deficiency) of Revenues and Other Financing Sources Over(Under) Expenditures | (11,757) | - | (11,757) | (11,757) | - |
| Fund Balance, July 1 | 11,757 | - | 11,757 | 11,757 | - |
| Fund Balance, June 30 | \$ - | \$ - | \$ - | \$ - | \$ - |

Statistical Section

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OLDMANS TOWNSHIP SCHOOL DISTRICT
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-------------|-------------|-----------|-------------|-------------|-------------|-------------|-----------|-----------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | 3,818,129 | 4,230,078 | 4,376,618 | 4,581,163 | 4,546,901 | 4,521,553 | 2,527,670 | 4,012,010 | 4,004,691 | 4,083,262 |
| Restricted | 728,816 | 674,951 | 826,415 | 820,153 | 1,130,298 | 1,180,892 | 3,208,257 | 2,184,538 | 2,409,045 | 2,451,799 |
| Unrestricted | (26,638) | (1,087,406) | (1,105,327) | (809,768) | (1,419,421) | (1,500,746) | (1,501,661) | (1,381,162) | (818,365) | (955,366) |
| Total governmental activities net position | 4,520,307 | 3,817,623 | 4,097,706 | 4,591,548 | 4,256,776 | 4,201,698 | 4,234,266 | 4,796,366 | 5,695,371 | 5,579,695 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | 7,075 | 2,148 | 3,035 | 1,222 | 825 | 495 | 165 | (20,409) | (1,842) | 3,246 |
| Unrestricted | 49,623 | 55,936 | 65,202 | 40,181 | 32,107 | 26,150 | (7,884) | (20,409) | (1,842) | 57,490 |
| Total business-type activities net position | 56,698 | 58,084 | 68,237 | 41,403 | 32,932 | 26,645 | (7,719) | (20,409) | (1,842) | 60,736 |
| District-wide | | | | | | | | | | |
| Net investment in capital assets | 3,825,204 | 4,232,226 | 4,379,653 | 4,582,385 | 4,546,726 | 4,522,048 | 2,527,835 | 4,012,010 | 4,004,691 | 4,086,508 |
| Restricted | 728,816 | 674,951 | 826,415 | 820,153 | 1,130,298 | 1,180,892 | 3,208,257 | 2,184,538 | 2,409,045 | 2,451,799 |
| Unrestricted | 22,985 | (1,091,470) | (1,040,125) | (769,587) | (1,387,314) | (1,474,596) | (1,509,645) | (1,401,571) | (820,207) | (897,876) |
| Total district net position | 4,577,005 | 3,875,707 | 4,165,943 | 4,652,951 | 4,289,110 | 4,228,948 | 4,226,947 | 4,774,977 | 5,695,929 | 5,640,451 |

Source: ACFR Schedule A-1

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(fiscal basis of accounting)

Exhibit J-2

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | 1,393,883 | 1,480,751 | 1,555,267 | 1,472,271 | 1,614,470 | 1,637,190 | 1,656,104 | 1,570,148 | 1,688,294 | 2,075,884 |
| Special education | 250,304 | 254,633 | 281,458 | 216,779 | 177,492 | 263,479 | 315,581 | 380,534 | 409,767 | 467,621 |
| Other special education | 17,218 | 29,615 | 15,043 | 11,938 | 17,492 | 14,034 | 14,834 | 6,900 | 16,161 | 90,076 |
| Other instruction | 18,584 | 19,011 | 19,626 | 6,822 | 21,546 | 14,034 | 14,834 | 6,900 | 16,161 | 90,076 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 1,307,777 | 922,942 | 1,126,760 | 1,331,215 | 1,282,833 | 1,307,977 | 1,349,633 | 1,311,150 | 1,381,314 | 1,502,284 |
| General Administration | 150,485 | 160,538 | 165,980 | 103,314 | 162,959 | 161,033 | 187,500 | 190,806 | 211,039 | 60,738 |
| School Administration Services | 33,154 | 35,925 | 36,579 | 121,423 | 57,504 | 41,394 | 47,542 | 40,857 | 43,177 | 549,171 |
| Central Services | 195,157 | 183,050 | 184,248 | 148,236 | 190,159 | 154,387 | 169,281 | 156,440 | 153,182 | 153,182 |
| Administrative Information Technology | | | | | | | 3,386 | 5,252 | 5,499 | 438,865 |
| Plant operations and maintenance | 521,471 | 494,033 | 354,303 | 384,686 | 370,370 | 464,485 | 407,950 | 360,880 | 386,909 | 438,865 |
| Pupil transportation | 150,701 | 198,103 | 190,855 | 203,937 | 213,386 | 264,409 | 214,264 | 152,925 | 222,320 | 485,782 |
| Unallocated benefits | 893,119 | 969,171 | 1,156,265 | 1,326,789 | 2,020,947 | 1,909,694 | 1,537,863 | 2,165,487 | 1,324,517 | - |
| Interest on long-term debt | 94,942 | 48,267 | 41,467 | 34,592 | 27,892 | 19,842 | 14,231 | 61,664 | 60,147 | - |
| Capital Outlay | 4,777 | 13,793 | 16,485 | 16,585 | 6,977 | 33,494 | 92,705 | 222,537 | 222,755 | 55,207 |
| Unallocated depreciation | 160,932 | 173,886 | 174,472 | 178,729 | 189,682 | 189,600 | 188,577 | 222,537 | 222,755 | 55,207 |
| Total governmental activities expenses | 5,152,504 | 4,873,618 | 5,318,808 | 5,557,326 | 6,335,917 | 6,461,018 | 6,199,451 | 6,625,580 | 6,125,081 | 5,725,628 |
| Business-type activities: | | | | | | | | | | |
| Food service | 103,682 | 103,676 | 95,399 | 114,566 | 103,577 | 102,148 | 81,765 | 82,809 | 143,925 | 104,824 |
| Lunchkey | 22,823 | 21,489 | 27,828 | 35,526 | 23,166 | 39,344 | 34,915 | 32,190 | 30,119 | 30,119 |
| Total business-type activities expenses | 126,505 | 125,165 | 123,227 | 150,092 | 126,743 | 141,492 | 116,680 | 114,999 | 174,044 | 104,824 |
| Total district expenses | 5,279,009 | 5,098,783 | 5,442,035 | 5,707,408 | 6,462,660 | 6,602,510 | 6,316,131 | 6,740,579 | 6,299,125 | 5,830,452 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Operating grants and contributions | 129,364 | 126,000 | 73,000 | 48,860 | 80,301 | 188,155 | 146,139 | 1,575,815 | 1,100,715 | -197,281 |
| Operating grants and contributions | 150,263 | 157,503 | 167,778 | 149,983 | 124,905 | 124,905 | 146,139 | 1,575,815 | 1,100,715 | -197,281 |
| Total governmental activities program revenues | 279,627 | 283,503 | 240,778 | 198,843 | 205,206 | 188,155 | 146,139 | 1,575,815 | 1,100,715 | -197,281 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Food service | 41,739 | 43,797 | 40,393 | 30,904 | 30,978 | 32,858 | 20,175 | 1,000 | 1,254 | 40,810 |
| Lunchkey | 34,926 | 24,601 | 29,988 | 44,100 | 36,694 | 56,413 | 22,859 | 32,827 | 29,960 | 29,960 |
| Operating grants and contributions | 55,421 | 58,099 | 61,589 | 49,548 | 43,673 | 41,473 | 39,282 | 68,482 | 156,829 | 90,181 |
| Total business-type activities program revenue | 132,086 | 126,497 | 131,970 | 124,552 | 111,345 | 132,744 | 82,316 | 102,309 | 188,043 | 130,991 |
| Total district program revenue | 411,713 | 410,000 | 372,748 | 323,395 | 316,551 | 320,899 | 228,455 | 1,678,124 | 1,288,758 | (66,290) |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | (4,872,877) | (4,690,115) | (5,078,030) | (5,358,483) | (6,130,711) | (6,272,863) | (6,053,312) | (5,049,765) | (5,024,366) | (5,922,909) |
| Business-type activities | 5,581 | 1,332 | 8,743 | 125,530 | (15,396) | (6,748) | (34,364) | (12,690) | 13,999 | 26,167 |
| Total district-wide net expense | (4,867,296) | (4,688,783) | (5,069,287) | (5,232,953) | (6,146,109) | (6,281,611) | (6,087,676) | (5,062,455) | (5,010,367) | (5,896,742) |

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes in Net Position,
Last Ten Fiscal Years
(actual basis of accounting)

Exhibit J-2

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | 2,437,372 | 2,456,466 | 2,663,290 | 2,632,498 | 2,884,061 | 2,941,742 | 3,000,577 | 3,060,589 | 3,121,801 | 3,184,237 |
| Taxes levied for debt service | 160,301 | 159,122 | 154,109 | 152,782 | 147,622 | 146,148 | 143,199 | 140,305 | 104,961 | 89,447 |
| Unrestricted grants and contributions | 2,293,664 | 2,387,484 | 2,500,705 | 2,568,507 | 2,695,906 | 3,099,885 | 2,901,513 | 2,114,520 | 2,536,380 | 3,366,581 |
| Transportation fees | 22,560 | 23,395 | 15,060 | 25,610 | 25,580 | | 20,020 | | | |
| Investment Earnings | 1,877 | 1,381 | 4,980 | 1,892 | 2,195 | 2,522 | 2,430 | 40 | 40 | 65,157 |
| Miscellaneous income | 29,438 | 28,886 | 19,969 | 22,165 | 45,494 | 29,947 | 46,808 | 37,939 | 61,169 | 48,137 |
| Loss on Disposal of Capital Assets | | (24,685) | | | | | (21,910) | | | |
| Other adjustments | | (1,098) | | | | | (6,758) | | | |
| Extraordinary Item - Loss on Refunding Bonds | | | | | | | | | | |
| Loss on Disposal of Capital Assets | | | | | | (2,460) | | | | (47,110) |
| Transfers | 4,945,212 | 5,033,151 | 5,358,113 | 5,403,454 | 5,795,941 | 6,217,784 | 6,085,879 | 5,353,393 | 5,824,351 | 6,676,449 |
| Total governmental activities | 38 | 54 | 60 | 46 | 10 | 1 | | | 4,568 | 30,000 |
| Business-type activities: | | | | | | | | | | |
| Miscellaneous income | | | | | | | | | | |
| Transfers | | | | | | | | | | |
| Fixed Asset Adjustments | | | | | | | | | | |
| Total business-type activities | 38 | 54 | 1,350 | 46 | 2,000 | 2,460 | | | 4,568 | 30,000 |
| Total district-wide | 4,945,250 | 5,033,205 | 5,359,523 | 5,403,500 | 5,802,868 | 6,220,245 | 6,085,879 | 5,353,393 | 5,828,919 | 6,706,449 |
| Changes in Net Position | 72,335 | 343,036 | 280,083 | 44,971 | (334,770) | (55,079) | 32,567 | 303,628 | 799,985 | 753,540 |
| Governmental activities | 5,619 | 1,366 | 10,153 | (25,484) | (8,471) | (6,287) | (34,364) | (12,690) | 18,587 | 56,167 |
| Business-type activities | 77,954 | 344,422 | 290,236 | 19,487 | (343,241) | (61,369) | (1,797) | 290,938 | 815,532 | 809,702 |

Source: ACFR Schedule A-2

OLDMANS TOWNSHIP SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|----------------|----------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|
| General Fund | | | | | | | | | | |
| Restricted | 344,807 | 335,315 | 557,920 | 800,308 | 1,116,105 | 1,118,296 | 1,073,184 | 1,655,756 | 1,921,372 | 1,113,582 |
| Assigned | 384,009 | 339,636 | 268,495 | 19,845 | 14,193 | 62,596 | 96,262 | 15,122 | 18,671 | 114,735 |
| Unassigned | 64,458 | 55,020 | 57,322 | 57,700 | 53,892 | 46,151 | 61,065 | 80,145 | 478,043 | 102,144 |
| Total general fund | 793,274 | 729,971 | 883,737 | 877,853 | 1,184,190 | 1,229,043 | 1,230,511 | 1,751,023 | 2,418,086 | 1,330,461 |
| All Other Governmental Funds | | | | | | | | | | |
| Restricted: | | | | | | | | | | |
| Capital Projects Fund | | | | | | | 2,038,811 | 466,442 | 447,084 | 447,084 |
| Special revenue fund | | | | | | | | 30,583 | 31,082 | 32,773 |
| Debt Service Fund | | | | | | | | | 11,757 | |
| Total all other governmental funds | - | - | - | - | - | - | 2,038,811 | 497,025 | 489,923 | 479,857 |

Source: ACFR Schedule B-1

OLDMANS TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-4

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|
| Revenues | | | | | | | | | | |
| Tax Levy | 2,597,673 | 2,615,588 | 2,817,399 | 2,785,280 | 3,031,683 | 3,087,890 | 3,143,776 | 3,200,894 | 3,226,762 | 3,273,684 |
| Interest Earnings | 1,877 | 1,581 | 4,990 | 1,892 | 2,195 | 2,522 | 2,430 | 40 | 40 | 65,157 |
| Transportation Charges | 22,560 | 25,395 | 15,050 | 25,610 | 25,580 | - | 20,020 | - | - | 65,157 |
| Miscellaneous | 29,938 | 28,886 | 19,969 | 22,953 | 46,576 | 36,272 | 49,726 | 37,939 | 61,169 | 48,137 |
| State sources | 2,293,664 | 2,387,484 | 2,500,705 | 2,568,507 | 2,695,906 | 2,754,896 | 2,858,220 | 2,933,863 | 3,613,315 | 3,367,907 |
| Federal sources | 149,763 | 157,503 | 167,778 | 149,149 | 123,823 | 181,830 | 143,221 | 239,815 | 290,745 | 243,302 |
| Total revenue | 5,095,475 | 5,216,437 | 5,525,891 | 5,553,391 | 5,925,763 | 6,063,410 | 6,217,393 | 6,412,551 | 7,192,031 | 7,063,344 |
| Expenditures | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular instruction | 1,397,932 | 1,473,371 | 1,545,358 | 1,477,374 | 1,609,547 | 1,625,922 | 1,652,130 | 1,570,148 | 1,688,294 | 1,691,715 |
| Special education instruction | 249,514 | 257,525 | 279,984 | 216,014 | 177,761 | 263,922 | 313,743 | 380,534 | 409,767 | 398,408 |
| Other special education instruction | 17,218 | 27,555 | 16,638 | 10,028 | 17,761 | 263,922 | 313,743 | 380,534 | 409,767 | 73,405 |
| Other instruction | 18,584 | 19,011 | 19,626 | 6,822 | 21,546 | 13,899 | 14,174 | 6,900 | 16,161 | 16,161 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 1,303,087 | 921,887 | 1,130,201 | 1,328,633 | 1,280,417 | 1,306,821 | 1,349,096 | 1,270,167 | 1,385,800 | 889,777 |
| General administrative services | 148,625 | 150,795 | 165,199 | 103,314 | 164,070 | 161,033 | 187,500 | 190,307 | 206,553 | 226,257 |
| School administrative services | 32,666 | 33,691 | 36,150 | 121,007 | 57,789 | 40,415 | 47,014 | 40,857 | 43,177 | 42,886 |
| Central Services | 115,916 | 116,521 | 125,561 | 99,873 | 119,934 | 153,889 | 169,474 | 156,440 | 153,182 | 153,182 |
| Administration Information Technology | | | | | | | | | | |
| Plant operations and maintenance | 465,738 | 462,049 | 352,629 | 384,664 | 367,715 | 464,071 | 405,742 | 363,931 | 386,909 | 369,252 |
| Pupil transportation | 147,514 | 164,865 | 161,803 | 181,548 | 187,882 | 240,333 | 187,434 | 152,925 | 222,320 | 336,703 |
| Unallocated employee benefits | 893,119 | 969,794 | 1,127,893 | 1,164,910 | 1,407,746 | 1,497,969 | 1,483,224 | 1,647,874 | 1,768,412 | 1,905,516 |
| Capital outlay | 218,152 | 485,728 | 202,033 | 257,884 | 19,852 | 49,573 | 417,189 | 1,623,480 | 66,436 | |
| Debt service: | | | | | | | | | | |
| Principal | 165,000 | 170,000 | 170,000 | 175,000 | 175,000 | 180,000 | 185,000 | 75,000 | 149,000 | 90,000 |
| Interest and other charges | 52,450 | 45,850 | 39,050 | 32,250 | 25,250 | 18,250 | 9,250 | 55,498 | 61,172 | 55,825 |
| Total Expenditures | 5,225,515 | 5,278,642 | 5,372,125 | 5,559,321 | 5,614,509 | 6,016,097 | 6,424,356 | 7,539,313 | 6,562,682 | 6,079,744 |
| Excess (Deficiency) of revenues over (under) expenditures | (130,040) | (62,205) | 153,766 | (5,930) | 311,254 | 47,313 | (206,963) | (1,126,762) | 629,349 | 983,600 |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Transfer in | | | | | | | | | | |
| Transfer out | (2,202) | | | | (4,917) | (2,460) | | | | (30,000) |
| Prior year receivable canceled | | | | | | | | | | (30,000) |
| Total other financing sources (uses) | (2,202) | - | - | - | (4,917) | (2,460) | (2,050) | - | - | (60,000) |
| Net change in fund balances | (132,242) | (62,205) | 153,766 | (5,930) | 306,337 | 44,853 | (209,013) | (1,126,762) | 629,349 | 923,600 |
| Debt service as a percentage of noncapital expenditures | 4.34% | 4.48% | 4.04% | 3.91% | 3.58% | 3.32% | 3.23% | 2.21% | 3.24% | 2.40% |

Source: ACFR Schedule B-2

Exhibit J-5

OLDMANS TOWNSHIP SCHOOL DISTRICT
 General Fund Other Local Revenue by Source,
 Last Ten Fiscal Years
 (Unaudited)

| Fiscal Year Ended June 30, | Prior Year Refund | Miscellaneous | Sale of Equipment | Forfeiture of 125 Plan | Totals |
|-------------------------------|----------------------|---------------|----------------------|---------------------------|--------|
| 2014 | \$ 15,208 | \$ 1,000 | \$ 13,230 | \$ | 29,438 |
| 2015 | 3,281 | 1,000 | 2,950 | 21,655 | 28,886 |
| 2016 | 10,466 | 1,000 | | 8,503 | 19,969 |
| 2017 | 10,000 | 3,989 | | 8,176 | 22,165 |
| 2018 | 34,770 | 1,863 | | 8,861 | 45,494 |
| 2019 | 3,334 | 13,392 | | 13,221 | 29,947 |
| 2020 | 26,467 | 3,628 | 6,470 | 10,243 | 46,808 |
| 2021 | | 26,538 | | | 26,538 |
| 2022 | | 36,111 | | | 36,111 |
| 2023 | 3,200 | 49,786 | | | 52,986 |

Source: District Records

OLDMANS TOWNSHIP SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Exhibit J-6

| Fiscal Year Ended June 30, | Vacant Land | Residential | Farm Reg. | Qfarm | Commercial | Industrial | Apartment | Total Assessed Value | Public Utilities | Net Valuation Taxable | Total District School Tax Rate | County Equalized Value |
|----------------------------|-------------|-------------|------------|-----------|------------|-------------|-----------|----------------------|------------------|-----------------------|--------------------------------|------------------------|
| 2014 | 10,491,900 | 118,596,300 | 21,900,200 | 3,297,800 | 12,155,400 | 53,046,900 | | 219,488,500 | 577,861 | 220,066,361 | 1.173 | 262,702,584 |
| 2015 | 8,665,800 | 121,725,500 | 22,016,900 | 3,290,400 | 11,160,000 | 54,628,100 | | 221,486,700 | 508,079 | 221,994,779 | 1.174 | 243,840,964 |
| 2016 | 8,453,300 | 121,370,000 | 21,630,500 | 3,224,100 | 10,130,800 | 67,783,200 | | 232,591,900 | 524,568 | 233,116,468 | 1.165 | 243,417,867 |
| 2017 | 9,662,800 | 121,384,300 | 21,736,200 | 3,219,600 | 9,920,600 | 67,783,200 | | 233,706,700 | 549,257 | 234,255,957 | 1.196 | 226,136,964 |
| 2018 | 11,156,900 | 122,305,700 | 22,377,800 | 3,176,800 | 10,823,300 | 68,296,700 | | 238,137,200 | 502,357 | 238,639,557 | 1.224 | 240,009,759 |
| 2019 | 17,368,500 | 122,347,600 | 21,319,700 | 3,088,500 | 10,823,300 | 66,130,600 | | 241,078,200 | | 241,078,200 | 1.270 | 250,760,272 |
| 2020 | 17,265,500 | 122,480,400 | 21,174,300 | 3,087,700 | 10,823,300 | 66,052,200 | | 240,883,400 | | 240,883,400 | 1.294 | 248,724,333 |
| 2021 | 17,031,600 | 123,196,200 | 20,651,300 | 3,518,600 | 10,823,300 | 80,438,800 | | 255,659,800 | | 255,659,800 | 1.271 | 269,291,968 |
| 2022 | 15,355,100 | 127,165,200 | 20,675,100 | 3,409,700 | 10,102,700 | 100,229,300 | | 276,937,100 | | 276,937,100 | 1.174 | 308,965,263 |
| 2023 | 16,689,500 | 133,933,600 | 20,835,300 | 3,012,300 | 10,027,700 | 102,802,900 | | 287,301,300 | | 287,301,300 | 1.152 | 304,620,659 |

Source: County Abstract of Ratables & Municipal Tax Assessor

OLDMANS TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Exhibit J-7

| Fiscal Year Ended June 30, | School District | | Overlapping Rates | | Total Direct and Overlapping Tax Rate |
|-------------------------------------|-----------------|-----------------|-------------------|----------------------------|--|
| | Basic Rate | Total Direct | Salem County | Municipal Local Purpose | |
| 2014 | \$ 1.173 | \$ 1.173 | \$ 1.153 | \$ 0.183 | \$ 2.509 |
| 2015 | 1.174 | 1.174 | 1.048 | 0.192 | 2.414 |
| 2016 | 1.165 | 1.165 | 1.042 | 0.182 | 2.389 |
| 2017 | 1.196 | 1.196 | 1.049 | 0.182 | 2.427 |
| 2018 | 1.224 | 1.224 | 1.174 | 0.191 | 2.589 |
| 2019 | 1.270 | 1.270 | 1.231 | 0.190 | 2.691 |
| 2020 | 1.294 | 1.294 | 1.245 | 0.190 | 2.729 |
| 2021 | 1.271 | 1.271 | 1.271 | 0.188 | 2.730 |
| 2022 | 1.154 | 1.174 | 1.372 | 0.187 | 2.733 |
| 2023 | 1.121 | 1.152 | 1.283 | 0.187 | 2.622 |

Source: Abstract of Ratables

OLDMANS TOWNSHIP SCHOOL DISTRICT
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

| Taxpayer | 2023 | | | 2014 | | |
|--|-------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | % of Total District Net Assessed Value | Taxable Assessed Value | Rank | % of Total District Net Assessed Value |
| MHG Gateway Properties, LLC | \$ 20,649,900 | 1 | | | | |
| Mexichem Specialty Resins Inc. Polyone | 20,044,000 | 2 | 0.00% | 19,000,000 | 1 | 8.63% |
| Stag Industrial Holdings LLC | 13,309,700 | 3 | | | | |
| Matrix/PPF Salem Lot 6.03 LLC | 11,857,500 | 4 | | | | |
| Garden State Freezers | | | 0.00% | 11,113,600 | 2 | 5.05% |
| Taxpayer #1 | 10,710,000 | 5 | | | | |
| Goya Foods Inc. | 10,630,100 | 6 | | | | |
| JE Berkowitz | | | 0.00% | 8,643,000 | 3 | 3.93% |
| Oxy Vinyls | 4,500,000 | 7 | 1.62% | 5,100,000 | 4 | 2.32% |
| MGBPE Urban Renewal Lot64 LLC | 3,166,100 | 8 | | | | |
| Pedricktown Cogen | 3,000,000 | 9 | 1.08% | 3,000,000 | 5 | 1.36% |
| Noveon Inc. | | | 0.00% | 2,500,000 | 6 | 1.14% |
| Ndev LLC | | | 0.00% | 2,347,700 | 7 | 1.07% |
| BOC Group Inc. | | | 0.00% | 1,950,000 | 8 | 0.89% |
| Paverstone LLC | 2,953,300 | 10 | 1.07% | 1,940,700 | 9 | 0.88% |
| Sun Refining & Marketing Company | | | 0.00% | 1,702,700 | 10 | 0.77% |
| Totals | \$ 100,820,600 | | 3.77% | \$ 57,297,700 | | 26.04% |
| | District Assessed Value | | \$ 276,937,100 | | | \$ 220,066,361 |

Source: District ACFR & Municipal Tax Assessor

**OLDMANS TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years |
|-------------------------------------|-------------------------------------|---|-----------------------|---------------------------------------|
| | | Amount | Percentage of Levy | |
| 2014 | 2,597,673 | 2,597,673 | 100% | |
| 2015 | 2,615,588 | 2,615,588 | 100% | |
| 2016 | 2,817,399 | 2,817,399 | 100% | |
| 2017 | 2,785,280 | 2,785,280 | 100% | |
| 2018 | 3,031,683 | 3,031,683 | 100% | |
| 2019 | 3,087,890 | 3,087,890 | 100% | |
| 2020 | 3,143,776 | 3,143,776 | 100% | |
| 2021 | 3,200,894 | 3,200,894 | 100% | |
| 2022 | 3,226,762 | 3,226,762 | 100% | |
| 2023 | 3,273,684 | 3,273,684 | 100% | |

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

OLDMANS TOWNSHIP 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 | * Debt Per Capita |
|----------------------------|--------------------------|----------------|--------------------------------|----------------|-------------------------------|-------------------|
| | General Obligation Bonds | Capital Leases | Bond Anticipation Notes (BANs) | | | |
| 2014 | \$ 1,055,000 | | | \$ 1,055,000 | 1.35% | 572 |
| 2015 | 885,000 | | | 885,000 | 1.09% | 485 |
| 2016 | 715,000 | | | 715,000 | 0.87% | 394 |
| 2017 | 540,000 | | | 540,000 | 0.65% | 299 |
| 2018 | 365,000 | | | 365,000 | 0.43% | 203 |
| 2019 | 185,000 | | | 185,000 | 0.20% | 104 |
| 2020 | 2,254,000 | | | 2,254,000 | 2.31% | 1,259 |
| 2021 | 2,179,000 | | | 2,179,000 | 1.99% | 1,144 |
| 2022 | 2,030,000 | | | 2,030,000 | | |
| 2023 | 1,940,000 | | | 1,940,000 | | 1,058 |

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

* = Per Capital Income data presented is for the entire County of Salem, not only the Township of Oldmans.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years

Exhibit J-11

| Fiscal Year Ended June 30, | Governmental Activities | | Net General Bonded Debt Outstanding | Percentage of Actual Taxable Value of Property | * Per Capita |
|-------------------------------------|--------------------------------|------------|---|---|---------------------|
| | General Obligation Bonds | Deductions | | | |
| 2014 | 1,055,000 | - | 1,055,000 | 0.48% | 572 |
| 2015 | 885,000 | - | 885,000 | 0.40% | 485 |
| 2016 | 715,000 | - | 715,000 | 0.31% | 394 |
| 2017 | 540,000 | - | 540,000 | 0.23% | 299 |
| 2018 | 365,000 | - | 365,000 | 0.15% | 203 |
| 2019 | 185,000 | - | 185,000 | 0.08% | 104 |
| 2020 | 2,254,000 | - | 2,254,000 | 0.94% | 1,259 |
| 2021 | 2,179,000 | - | 2,179,000 | 0.85% | 1,144 |
| 2022 | 2,030,000 | - | 2,030,000 | 0.73% | n/a |
| 2023 | 1,940,000 | - | 1,940,000 | 0.68% | n/a |

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

* = Per Capital Income data presented is for the entire County of Salem, not only the Township of Oldmans.

**OLDMANS TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Bonded Debt,
As of December 31, 2022 for overlapping debt**

Exhibit J-12

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable</u> | <u>Estimated Share of Overlapping Debt</u> |
|--|-----------------------------|--|--|
| Debt Repaid with Property Taxes | | | |
| Township of Oldmans | \$ 191,500 | 100.00% | \$ 191,500 |
| Other Debt | | | |
| County of Gloucester | 77,900,052 | 5.76% | 4,487,102 |
| Subtotal, Overlapping Debt | | | <u>4,678,602</u> |
| Mantua Township School District Direct Debt | | | <u>1,940,000</u> |
| Total Direct and Overlapping Debt | | | <u><u>\$ 6,618,602</u></u> |

Sources: Township of Oldmans, County of Salem.

OLDMANS TOWNSHIP SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

| Equalized valuation basis | |
|---------------------------|-----------------------|
| 2022 | \$ 276,843,909 |
| 2021 | 282,247,516 |
| 2020 | 259,421,410 |
| | <u>\$ 818,512,835</u> |

Average equalized valuation of taxable property \$ 272,837,612

| | |
|------------------------------|---------------------|
| Debt limit (3.5% of average) | 9,549,316 |
| Net bonded school debt | 1,940,000 |
| Legal debt margin | <u>\$ 7,609,316</u> |

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Debt limit | \$ 6,729,011 | \$ 6,944,057 | \$ 6,815,736 | \$ 6,793,981 | \$ 6,861,174 | \$ 6,977,105 | \$ 7,147,687 | \$ 8,609,149 | \$ 9,135,159 | \$ 9,549,316 |
| Total net debt applicable to limit | 1,055,000 | 885,000 | 715,000 | 540,000 | 365,000 | 185,000 | 2,254,000 | 2,179,000 | 2,030,000 | 1,940,000 |
| Legal debt margin | \$ 5,674,011 | \$ 6,059,057 | \$ 6,100,736 | \$ 6,253,981 | \$ 6,496,174 | \$ 6,792,105 | \$ 4,893,687 | \$ 6,430,149 | \$ 7,105,159 | \$ 7,609,316 |

Total net debt applicable to the limit
 as a percentage of debt limit

| | | | | | | | | | | |
|--|--------|--------|--------|-------|-------|-------|--------|--------|--------|--------|
| | 15.66% | 12.74% | 10.49% | 7.95% | 5.32% | 2.65% | 31.53% | 25.31% | 22.22% | 20.32% |
|--|--------|--------|--------|-------|-------|-------|--------|--------|--------|--------|

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey and District Records ACFR Schedule J-7

OLDMANS TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics,
Last Ten Fiscal Years

Exhibit J-14

| <u>Fiscal Year Ended June 30,</u> | <u>Population</u> | <u>Personal Income (thousands of dollars)</u> | <u>Per Capita Personal Income</u> | <u>Unemployment Rate</u> |
|---|-------------------|---|---|------------------------------|
| 2014 | 1,843 | 78,165,316 | 42,412 | 5.4% |
| 2015 | 1,825 | 81,351,200 | 44,576 | 4.8% |
| 2016 | 1,814 | 81,858,564 | 45,126 | 5.0% |
| 2017 | 1,804 | 82,845,092 | 45,923 | 4.2% |
| 2018 | 1,800 | 85,473,000 | 47,485 | 3.8% |
| 2019 | 1,787 | 90,416,839 | 50,597 | 2.9% |
| 2020 | 1,791 | 97,749,198 | 54,578 | 6.6% |
| 2021 | 1,905 | 109,627,035 | 57,547 | 6.9% |
| 2022 | 1,919 | n/a | n/a | 3.1% |
| 2023 | n/a | n/a | n/a | n/a |

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

OLDMANS TOWNSHIP SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

| Employer | 2023 | | | 2014 | | |
|---------------------------|---------------|------|--------------------------------|-----------|--------------------------------|--|
| | Employees | Rank | Percentage of Total Employment | Employees | Percentage of Total Employment | |
| JE Berkowitz | | 1 | | 225 | 21.99% | |
| Polyone | Not available | 2 | | 125 | 12.22% | |
| Walt's Bus Service | | 3 | | 123 | 12.02% | |
| Goya Foods | | 4 | | 97 | 9.48% | |
| Oldmans Township School | | 5 | | 63 | 6.16% | |
| Mullica Hill Cold Storage | | 6 | | 57 | 5.57% | |
| Totals | - | | 0.00% | 690 | 33.23% | |

Source: Salem County Office of Economic Development and responses to School District survey.

OLDMANS TOWNSHIP SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Exhibit J-16

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Function/Program | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular instruction | 18.0 | 19.0 | 20.5 | 21.2 | 21.7 | 22.5 | 20.7 | 20.2 | 21.7 | 22.7 |
| Special education | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 3.5 | 3.5 | 3.9 | 3.0 |
| Other special education | 3.0 | 3.0 | 2.0 | 2.0 | 2.2 | 2.2 | 6.4 | 4.4 | 4.9 | 4.4 |
| Other instruction | 1.0 | 2.0 | 1.5 | 0.5 | 3.0 | 3.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 6.0 | 6.0 | 5.0 | 9.4 | 7.6 | 7.4 | 5.0 | 5.2 | 6.6 | 6.6 |
| General administrative services | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| School administrative services | 1.0 | 1.0 | 1.0 | 1.8 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Business administrative services | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Plant operations and maintenance | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.8 |
| Pupil transportation | 4.0 | 4.0 | 3.0 | 4.0 | 4.0 | 4.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Food Service | 3.0 | 3.0 | 2.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2 | 3 | 3 |
| Childcare | 4 | 4 | 2 | 0 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total | 50.0 | 52.0 | 47.0 | 52.1 | 54.5 | 54.1 | 52.6 | 50.3 | 55.1 | 55.5 |

Source: District Personnel Records

OLDMANS TOWNSHIP SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years

Exhibit J-17

| Fiscal Year Ended June 30, | Enrollment | Operating Expenditures | Cost per Pupil | % Change | Teaching Staff | Pupil/Teacher Ratio Elementary | Average Daily Enrollment (ADE) | Average Daily Attendance (ADA) | % Change in Average Daily Enrollment | Student Attendance Percentage |
|----------------------------|------------|------------------------|----------------|----------|----------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------------|-------------------------------|
| 2014 | 231.0 | 4,789,913 | 20,736 | 6.18% | 21.0 | 13.90 | 250.70 | 240.00 | 9.14% | 95.73% |
| 2015 | 253.0 | 4,597,064 | 18,170 | -12.37% | 22.0 | 12.20 | 265.80 | 255.70 | 6.02% | 96.20% |
| 2016 | 268.0 | 4,961,042 | 18,511 | 1.88% | 23.0 | 12.80 | 287.40 | 275.10 | 8.13% | 95.72% |
| 2017 | 287.0 | 5,094,187 | 17,750 | -4.11% | 23.0 | 11.70 | 271.40 | 259.20 | -5.57% | 95.50% |
| 2018 | 271.0 | 5,394,407 | 19,906 | 12.15% | 23.0 | 11.90 | 275.90 | 262.00 | 1.66% | 94.96% |
| 2019 | 287.0 | 5,768,274 | 20,099 | 0.97% | 25.0 | 11.60 | 283.70 | 270.40 | 2.83% | 95.31% |
| 2020 | 285.0 | 5,812,917 | 20,396 | 1.48% | 24.0 | 11.80 | 285.90 | 275.50 | 0.78% | 96.36% |
| 2021 | 286.0 | 5,785,335 | 20,228 | -0.82% | 24.0 | 11.90 | 286.30 | 277.30 | 0.14% | 96.86% |
| 2022 | 294.0 | 6,286,074 | 21,381 | 5.70% | 26.0 | 11.80 | 295.90 | 281.00 | 3.35% | 94.96% |
| 2023 | 282.0 | 5,933,919 | 21,042 | -1.59% | 26.0 | 10.90 | 285.90 | 270.20 | -3.38% | 94.51% |

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

OLDMANS TOWNSHIP SCHOOL DISTRICT
School Building Information,
Last Ten Fiscal Years

Exhibit J-18

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| District Buildings | | | | | | | | | | |
| Square Feet | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 |
| Capacity (students) | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 | 450 |
| Enrollment | 251 | 268 | 287 | 271 | 276 | 284 | 285 | 286 | 304 | 294 |
| J. Mason Tomlin | | | | | | | | | | |

Number of Schools at June 30, 2023
 Elementary/Middle 1

Source: District Records, ASSA

OLDMANS TOWNSHIP SCHOOL DISTRICT
 General Fund
 Schedule of Required Maintenance for School Facilities,
 Last Ten Fiscal Years
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

| School Facilities | Gross Square Footage | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|----------------------|----------------------|----------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|---------------|
| Oldmans Middle Schol | 56,000 | 171,300 | 146,302 | 59,998 | 46,118 | 12,876 | 118,803 | 33,625 | 32,318 | 36,748 | 63,824 |
| | | <u>171,300</u> | <u>146,302</u> | <u>59,998</u> | <u>46,118</u> | <u>12,876</u> | <u>118,803</u> | <u>33,625</u> | <u>32,318</u> | <u>36,748</u> | <u>63,824</u> |

Source: District Records

OLDMANS TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
For the Fiscal Year Ended June 30, 2023
(Unaudited)

Exhibit J-20

| Company | Type of Coverage | Amount of Coverage | Deductible |
|--|---|--------------------|-----------------|
| School Package Policy - Gloucester Cumberland Salem School Districts JIF | | | |
| Property, Inland Marine and Automobile Physical Damages | | | |
| | Limit of Liability | 175,000,000 | |
| | GCSSD JIF Self Insured Retention | 250,000 | |
| | Member District Deductible | | 500 |
| | Property Valuation | Replacement Cost | |
| Boiler and Machinery | | | |
| | Limit of Liability | 125,000,000 | |
| | GCSSD JIF Self Insured Retention | None | |
| | Member District Deductible | | 1,000,000 |
| Crime | | | |
| | Limit of Liability | 500,000 | |
| | GCSSD JIF Self Insured Retention | 250,000 | |
| | Member District Deductible | | 500 |
| General and Automobile Liability | | | |
| | Limit of Liability | 20,000,000 | |
| | GCSSD JIF Self Insured Retention | 250,000 | |
| | Member District Deductible | | None |
| Workers' Compensation | | | |
| | Limit of Liability | Statutory | |
| | GCSSD JIF Self Insured Retention | 250,000 | |
| | Member District Deductible | | None |
| Educator's Legal Liability | | | |
| | Limit of Liability | 20,000,000 | |
| | GCSSD JIF Self Insured Retention | 250,000 | |
| | Member District Deductible | | None |
| Pollution Legal Liability | | | |
| | Limit of Liability | 3,000,000 | |
| | GCSSD JIF Self Insured Retention | None | |
| | Member District Deductible – Pollution Incident | | 25,000 |
| | Member District Deductible – Mold Incident | | 100,000-250,000 |
| Cyber Liability | | | |
| | Limit of Liability | 2,000,000 | |
| | GCSSD JIF Self Insured Retention | | None |
| | Member District Deductible | | 50,000-100,000 |
| Crisis Protection & Disaster Management Services | | | |
| | Limit of Liability | 1,000,000 | |
| | GCSSD JIF Self Insured Retention | None | |
| | Member District Deductible | | 10,000 |
| Public employees' faithful performance bonds - | | | |
| Selective Insurance | | | |
| | Position Bond - Diane Bowman, Treasurer | 175,000 | |
| | Position Bond - Pamela Zook, Business Administrator | 175,000 | |

Source: District Records.

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SINGLE AUDIT SECTION

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K-1

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

Honorable President and
Members of the Board of Education
Township of Oldmans School District
County of Salem
State of New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oldmans Township School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Oldmans Township School District's basic financial statements, and have issued our report thereon dated December 1, 2023.

Report on Internal Control over Financial Reporting

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

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Ford, Scott & Associates, LLC.
Certified Public Accountants

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

December 1, 2023



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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K-2

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

Honorable President and
Members of the Board of Education
Oldmans Township School District
County of Salem, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal & State Program

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

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

Basis for Opinion on Each Major Federal & State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Other Matters

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

Report on Internal Control Over Compliance

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

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

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

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

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

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

Ford, Scott & Associates, LLC.
Certified Public Accountants

Michael S. Garcia

Michael S. Garcia
Certified Public Accountant
Licensed Public School Accountant
No. 2080

December 1, 2023

OLDMANS TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
for the fiscal year ended June 30, 2023

| Federal Grantor/Pass-Through Grantor/ Program Title | Federal CFDA Number | Federal FAIN Number | Grant or State Project Number | Grant Period | Award Amount | Balance at June 30, 2022 | | Carryover | Cash Received | Budgetary Expenditures | | Adjustments | Unearned Revenue | Balance at June 30, 2023 (Accounts Receivable) | Due to Grantor |
|--|---------------------------|---------------------------|--|------------------|-----------------|--------------------------|----------------------------------|-----------|------------------|------------------------|-------|-------------|---------------------|--|-------------------|
| | | | | | | Accounts Receivable | Unearned Rev./ Due to Grantor | | | Pass Through | Total | | | | |
| U. S. Department of Agriculture | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | | | | | | | |
| Food Distribution Program | 10.555 | 2023NJ0304N0089 | N/A | 7/1/22 - 6/30/23 | 14,185 \$ | \$ | 101 | \$ | 14,185 | (14,185) | | | | \$ | \$ |
| Food Distribution Program | 10.555 | 2022NJ0304N0089 | N/A | 7/1/21 - 6/30/22 | 11,790 | | | | (101) | (101) | | | | | |
| School Breakfast Program | 10.553 | 2023NJ0304N0089 | N/A | 7/1/22 - 6/30/23 | 11,178 | (1,935) | | 10,700 | (11,178) | (11,178) | | | | (478) | |
| School Breakfast Program | 10.553 | 2022NJ0304N0089 | N/A | 7/1/21 - 6/30/22 | 28,759 | | | 1,935 | (36,112) | (36,112) | | | | (1,366) | |
| National School Lunch Program | 10.555 | 2023NJ0304N0089 | N/A | 7/1/22 - 6/30/23 | 11,361 | (5,945) | | 5,945 | (272) | (272) | | | | (21) | |
| National School Lunch Program | 10.555 | 2022NJ0304N0089 | N/A | 7/1/21 - 6/30/22 | 272 | | | 27,454 | (27,454) | (27,454) | | | | | |
| National Snack Program | 10.555 | 2023NJ0304N0089 | N/A | 7/1/22 - 6/30/23 | 27,454 | | | | (89,302) | (89,302) | | | | (1,865) | |
| COVID-19 - Supply Chain | 10.555 | 2023NJ0304N0089 | N/A | 7/1/22 - 6/30/23 | | | 101 | 95,216 | (89,302) | (89,302) | | | | (1,865) | |
| Total Child Nutrition Cluster | | | | | | | 101 | 95,216 | (89,302) | (89,302) | | | | (1,865) | |
| Total Enterprise Fund | | | | | | | | | | | | | | | |
| U.S. Department of Education | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | |
| Special Revenue Fund: | | | | | | | | | | | | | | | |
| Title I, Part A | 84.010A | S010A20030 | ESEA386023 | 7/1/22 - 9/30/23 | 75,346 | | | | | (74,300) | | | | (74,300) | |
| Title I, Part A | 84.010A | S010A20030 | ESEA386022 | 7/1/21 - 9/30/22 | 92,070 | (8,477) | | 8,477 | | | | | | | |
| Title I, Part A | 84.010A | S010A20030 | ESEA386021 | 7/1/20 - 9/30/21 | 98,055 | (3,712) | | | | | 3,712 | | | | |
| Total Title I | | | | | | (12,189) | | 8,477 | (74,300) | (74,300) | 3,712 | | | (74,300) | |
| Title II A | 84.367A | S367A20029 | ESEA386023 | 7/1/22 - 9/30/23 | 13,126 | (388) | | 388 | | | | | | | |
| Title II A | 84.367A | S367A20029 | ESEA386022 | 7/1/21 - 9/30/22 | 11,334 | | | | | | | | | | |
| Total Title II | | | | | | (388) | | 388 | | | | | | | |
| Title IV | 84.024A | S424A20031 | ESEA386023 | 7/1/22 - 9/30/23 | 18,410 | (6,679) | | 6,679 | (12,634) | (12,634) | | | | (12,634) | |
| Title IV | 84.024A | S424A20031 | ESEA386022 | 7/1/21 - 9/30/22 | 15,089 | | | | | | | | | | |
| Total Title III | | | | | | (6,679) | | 6,679 | (12,634) | (12,634) | | | | (12,634) | |
| Rural Education Program | 84.358A | S358A2002486 | n/a | 7/1/20 - 9/30/21 | 27,248 | | 1,835 | | | | | | 1,835 | | |
| I.D.E.A. Part B - Basic | 84.027A | H027A220100 | IDEA386023 | 7/1/22 - 9/30/23 | 84,486 | (10,713) | | 28,506 | (84,486) | (84,486) | | | | (55,980) | |
| I.D.E.A. Part B - Basic | 84.027A | H027A210100 | IDEA386022 | 7/1/21 - 9/30/22 | 83,283 | | | 10,713 | | | | | | | |
| ARP - IDEA Basic | 84.027X | H027X210100 | IDEA386022 | 7/1/21 - 9/30/22 | 12,712 | | | 702 | (1,756) | (1,756) | | | | (1,054) | |
| I.D.E.A. Part B - Preschool | 84.173A | H173A220114 | IDEA386023 | 7/1/22 - 9/30/23 | 1,756 | | | | | | | | | | |
| Total Special Education Cluster | | | | | | (10,713) | | 39,921 | (86,242) | (86,242) | | | | (57,034) | |
| CARES - Emergency Relief | 84.425D | S425D200027 | N/A | 3/1/20 - 9/30/22 | 32,709 | (2,206) | | 2,207 | (204) | (204) | | | | (203) | |
| CRRSA - ESSER II | 84.425D | S425D210027 | N/A | 3/1/20 - 9/30/23 | 146,029 | (29,196) | | | (10,330) | (10,330) | | | | (139,163) | |
| CRRSA - Learning Acceleration | 84.425D | S425D210027 | N/A | 3/1/20 - 9/30/23 | 25,000 | (2,509) | | 2,559 | (2,319) | (2,319) | | | | (2,269) | |
| CRRSA - Mental Health | 84.425D | S425D210027 | N/A | 3/1/20 - 9/30/23 | 45,000 | (49) | | | (22,559) | (22,559) | | | | (29,645) | |
| ARP - ESSER | 84.425U | S425U210027 | N/A | 3/1/20 - 9/30/24 | 328,190 | (67,543) | | 50,576 | (13,716) | (13,716) | | | | (11,972) | |
| ARP - Accelerated Learning (Instruction) | 84.425U | S425U210027 | N/A | 3/1/20 - 9/30/24 | 50,000 | (2,467) | | 4,211 | (16,083) | (16,083) | | | | (752) | |
| ARP - Evidence Based Summer Learning | 84.425U | S425U210027 | N/A | 3/1/20 - 9/30/24 | 40,000 | (3,850) | | 19,913 | (119) | (119) | | | | (4,796) | |
| ARP - Beyond the School Day (After-school) | 84.425U | S425U210027 | N/A | 3/1/20 - 9/30/24 | 45,000 | (653) | | 16,327 | (4,796) | (4,796) | | | | (462,211) | |
| ARP - NJTSS Mental Health | 84.425U | S425U210027 | N/A | 3/1/20 - 9/30/24 | 45,000 | (124,760) | | 95,793 | (70,126) | (70,126) | | | | (606,179) | |
| Total CARES Cluster | | | | | | (154,729) | | 151,258 | (243,302) | (243,302) | | | | (606,179) | |
| Total Special Revenue Fund | | | | | | (162,609) | | 246,474 | (332,604) | (332,604) | | | 1,835 | (608,044) | |
| Total Federal Financial Assistance | | | | | | 1,936 | | | | | | | 1,835 | (608,044) | |

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

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

| State Grantor/Program Title | Grant or State Project Number | Program or Award Amount | Grant Period | | Balance at June 30, 2022 | | Carryover (Walkover) Amount | Cash Received | Budgetary Expenditures | Adjustments / Repayment of Prior Years' Balances | Balance at June 30, 2023 | | MEMO | |
|---|-------------------------------|-------------------------|--------------|-----------|--|----------------|-----------------------------|---------------|------------------------|--|--------------------------|-------------------|----------------------|-------------------------------|
| | | | From | To | Deferred Revenue (Accounts Receivable) | Due to Grantor | | | | | (Accounts Receivable) | Deferred Revenue/ | Budgetary Receivable | Cumulative Total Expenditures |
| State Department of Education | | | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | | | |
| State Aid Public Cluster: | | | | | | | | | | | | | | |
| Special Education Aid | 23-495-034-5121-089 | 159,315 | 7/1/2022 | 6/30/2023 | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| School Choice Aid | 23-495-034-5121-088 | 597,110 | 7/1/2022 | 6/30/2023 | | | 159,315 | (159,315) | | | | | 14,533 | 159,315 |
| Security Aid | 23-495-034-5121-084 | 44,735 | 7/1/2022 | 6/30/2023 | | | 597,110 | (597,110) | | | | | 54,371 | 597,110 |
| Equalization Aid | 23-495-034-5120-078 | 1,193,689 | 7/1/2022 | 6/30/2023 | | | 1,193,689 | (1,193,689) | | | | | 108,883 | 1,193,689 |
| Adjustment Aid | 23-495-034-5120-085 | 80,274 | 7/1/2022 | 6/30/2023 | | | 80,274 | (80,274) | | | | | 7,323 | |
| Total State Aid Public Cluster | | | | | | | | | | | | | | |
| Transportation Aid | 23-495-034-5121-014 | 136,526 | 7/1/2022 | 6/30/2023 | | | 2,075,123 | (2,075,123) | | | | | 189,301 | 1,994,849 |
| Non-public Transportation Aid | 23-495-034-5120-014 | 1,248 | 7/1/2022 | 6/30/2023 | | | 136,526 | (136,526) | | | | | 12,454 | 136,526 |
| Maintenance of Equity | 22-495-034-5120-014 | 580 | 7/1/2021 | 6/30/2022 | (580) | | 580 | (1,248) | (1,248) | | | | 580 | |
| Lead Testing for Schools Aid | n/a | 388,208 | 7/1/2021 | 6/30/2022 | (388,208) | | 388,208 | | | | | | | |
| Extraordinary Aid | 22-495-034-5120-104 | 52,651 | 7/1/2021 | 6/30/2023 | | | | (52,651) | | | | | | |
| Extraordinary Aid | 23-100-034-5120-044 | 25,875 | 7/1/2021 | 6/30/2022 | (25,875) | | 25,875 | | | | | | | |
| On-Behalf TPAF Pension | 22-100-034-5120-044 | 727,279 | 7/1/2022 | 6/30/2023 | | | 727,279 | (727,279) | | | | | | 727,279 |
| On-Behalf TPAF Post-Retirement | 22-495-034-5094-002 | 191,055 | 7/1/2022 | 6/30/2023 | | | 191,055 | (191,055) | | | | | | 191,055 |
| On-Behalf TPAF LTD | 22-495-034-5094-001 | 599 | 7/1/2022 | 6/30/2023 | | | 599 | (599) | | | | | | 599 |
| Reimbursed TPAF Social Security | 23-495-034-5094-004 | 152,614 | 7/1/2022 | 6/30/2023 | (617) | | 137,862 | (152,614) | (14,752) | | | | | 152,614 |
| Reimbursed TPAF Social Security | 22-495-034-5094-003 | 153,946 | 7/1/2021 | 6/30/2022 | (415,280) | | 3,683,724 | (3,337,095) | (68,651) | | | | 201,755 | 153,946 |
| Total General Fund | | | | | | | | | | | | | | |
| Special Revenue Fund: | | | | | | | | | | | | | | |
| Handicapped Services - Chapter 193 Speech | 23-100-034-5120-066 | 1,326 | 7/1/2022 | 6/30/2023 | | | 1,326 | (1,326) | | | | | | |
| Total Special Revenue Fund | | | | | | | | | | | | | | |
| Debt Service Fund: | | | | | | | | | | | | | | |
| Debt Service Aid | 23-100-034-5120-017 | 44,621 | 7/1/2022 | 6/30/2023 | | | 44,621 | (44,621) | | | | | | |
| Total Debt Service Fund | | | | | | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | | | | | | |
| State School Lunch Program | 23-100-010-3350-023 | 980 | 7/1/2022 | 6/30/2023 | | | 943 | (980) | | | | | | 980 |
| State School Lunch Program | 22-100-010-3350-023 | 2,666 | 7/1/2021 | 6/30/2022 | (137) | | 137 | | | | | | | 2,666 |
| State School Breakfast Program | 23-100-010-3350-023 | - | 7/1/2022 | 6/30/2023 | | | - | - | | | | | | - |
| Total Enterprise Fund | | | | | | | | | | | | | | |
| Total State Financial Assistance | | | | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | | | | | (415,417) | | 3,730,751 | (3,384,022) | (68,688) | | | | 377,372 | 4,072,532 |
| Less: On-Behalf TPAF Pension (727,279) | | | | | | | | | | | | | | |
| Less: On-Behalf TPAF Post-Retirement (191,055) | | | | | | | | | | | | | | |
| Less: On-Behalf TPAF LTD (599) | | | | | | | | | | | | | | |
| Total State Financial Assistance (2,465,089) | | | | | | | | | | | | | | |

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

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

Note 1: General

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

Note 2: Basis of Accounting

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

Note 3: Relationship to Basic Financial Statements

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$15,135) for the general fund and \$0 for the special revenue fund. See the Notes to the Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

| | Federal | State | On-Behalf Contributions | Total |
|----------------------------|------------|-----------|----------------------------|-----------|
| General Fund | \$ - | 3,321,960 | (1,071,547) | 2,250,413 |
| Special Revenue Fund | 243,302 | 1,326 | | 244,628 |
| Debt Service Fund | | 44,621 | | 44,621 |
| Food Service Fund | 89,201 | 980 | | 90,181 |
| Total Financial Assistance | \$ 332,503 | 3,368,887 | (1,071,547) | 2,629,843 |

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

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

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

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

Note 6: Adjustments

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

| | Federal | State |
|--------------------------------------|--------------|-------|
| Prior year receivable correction | \$ 3,712 | |
| Recapture of prior year expenditures | (363,118) | |
| | \$ (359,406) | - |

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

Exhibit K-6

Section I – Summary of Auditor’s Results

Financial Statements

| | |
|---|--|
| Type of auditor’s report issued: | An Unmodified Opinion was issued on the Basic Financial Statements, dated December 1, 2023 |
| Internal control over financial reporting: | |
| 1) Material weakness identified? | No |
| 2) Significant deficiencies identified? | None reported |
| Noncompliance material to basic financial statements noted? | No |

Federal Awards N/A

Internal control over major programs:

- 1) Material weakness identified?
- 2) Significant deficiencies identified?

Type of auditor’s report issued on compliance for major programs:

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Uniform Guidance?

Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

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

Auditee qualified as low-risk auditee?

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

Exhibit K-6

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

State Awards

| | |
|--|---|
| Dollar threshold used to distinguish between type A and Type B Programs: | \$750,000 |
| Auditee qualified as low-risk auditee? | Yes |
| Type of auditor’s report issued on compliance for major programs: | An Unmodified Opinion was issued on compliance for major programs, dated December 1, 2023 |
| Internal Control over major programs: | |
| 1) Material weaknesses identified? | No |
| 2) Significant deficiencies identified? | None reported |
| Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08? | No |

Identification of major programs:

GMIS Number(s)

Name of State Program

495-034-5120-089
495-034-5120-068
495-034-5120-084
495-034-5120-078
495-034-5120-085

State Aid Public Cluster
Special Education Aid
School Choice Aid
Security Aid
Equalization Aid
Adjustment Aid

Section II - Financial Statement Findings

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

None

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

Exhibit K-6

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

FEDERAL AWARDS

Not applicable.

STATE AWARDS

Our audit disclosed no matters to be reported.

Exhibit K-7

STATUS OF PRIOR YEAR FINDINGS

Financial Statement:

No matters were reported.

Federal:

No matters were reported.

State:

No matters were reported.