

**SCHOOL DISTRICT  
OF THE  
TOWNSHIP OF RANDOLPH**

**Township of Randolph School District  
Randolph, New Jersey**

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

**Annual Comprehensive  
Financial Report**

**of the**

**Township of Randolph School District**

**Randolph, New Jersey**

**For the Fiscal Year Ended June 30, 2023**

**Prepared by**

**Township of Randolph School District  
Board of Education**

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**INTRODUCTORY SECTION  
(UNAUDITED)**

# **RANDOLPH TOWNSHIP SCHOOLS**

25 School House Road, Randolph, NJ 07869

(973) 361-0808

Fax (973) 361-2405

**Ms. Jennifer Fano**  
**Superintendent of Schools**

**Mr. Stephen Frost**  
**Business Administrator**  
**Board Secretary**

December 8, 2023

The Honorable President and Members  
of the Board of Education  
Township of Randolph School District  
County of Morris, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Township of Randolph School District (the "District") for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi- year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

**1) REPORTING ENTITY AND ITS SERVICES:** The Township of Randolph School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Township of Randolph School District and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12 for the students residing in Randolph Township. These include regular, vocational as well as special education for handicapped youngsters.

2) ECONOMIC CONDITION AND OUTLOOK: The Randolph Township School District is in the middle of significant State aid reductions that will continue through the 2024-25 Fiscal Year. The Township of Randolph ratable base continues on a flat to slight incline. The District's enrollment continues to be on a downward trend. The Board has three bargaining units with settled contracts for the 2022-23 School year. The District's largest bargaining unit, The Randolph Education Association's (REA) and its Administrator unit, The Randolph Township Administrators Association (RTAA) contracts expired at the end of the 2021-22 School Year, and the district negotiated successor agreements through the 2024-2025 and 2025-2026 school years, respectively.

3) MAJOR INITIATIVES: During the 2022-2023 school year, the Randolph Township School District continued with the comprehensive review and revision of district curricula, according to parameters set forth in the district's five-year curriculum review cycle, approved each year by the Board of Education. Along with each new or newly revised curriculum, access to digital content and training of teachers to implement new curricular elements is provided.

The pandemic hampered the ability of the District to offer professional development as it traditionally does. However, professional development opportunities were provided when available for staff to support curriculum and instruction. Teachers were provided with opportunities to attend workshops virtually. The District administration was provided with PD in the evaluation process, to mirror training provided to instructional staff. The District also contracts with providers of PD and educational support material across the curriculum, with an emphasis on multiple facets of hybrid and all-virtual instruction including social-emotional wellness, technology-infusion, and implementation of instructional strategies that yield student growth.

The District continues to use a model of PD that emphasizes a "push-in" approach whenever possible, whereby PD providers deliver their assistance to teachers in our own classrooms with our own students, rather than a more traditional "pull-out" approach that requires teachers to leave their classrooms. Staffing issues, particularly finding substitute teachers, made it difficult to pull staff for PD. We employ seven instructional coaches throughout the district who model this structure in their ongoing coaching cycles and professional learning offerings with teachers. During the 2022-2023 school year, the ability to offer PD was expanded as more opportunities became available post-pandemic.

The District added several new components to the program of educational technology available to students, staff and administrators including access to digital content that will continue to replace more traditional printed material. The District continues to deepen its commitment to a learning management system that has enabled online coursework to be delivered to students. The District has made a commitment to provide open access to the Microsoft Office 365 suite for all members of the school community. Targeted training has been offered during the summer and throughout the year to allow for purposeful tech infusion and increased collaboration. Students across the District have increased the degree to which they access content digitally rather than in printed form and training of staff to enable this shift is ongoing and comprehensive. The District implemented a 1:1 device initiative for most students in the school district. This initiative has increased the ability of students to learn and connect.

The District continues to offer a comprehensive array of award-winning music and art programs at all levels and an expansive offering of over 30 Advanced Placement programs at the high school including the prestigious AP Capstone diploma program. The athletic program is exceptional, and the co-curricular clubs offer numerous and diverse opportunities to our student body, as the District works to maintain the quality of a public education program second to none in the State of New Jersey.



4) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal awards and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state awards programs, as well as to determine that the District has complied with major applicable laws, regulations, contracts and grants.

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general fund and the special revenue fund and the debt service fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and/or assignments at June 30, 2023.

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

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found on J-20.

The Honorable President and Members  
of the Board of Education  
Township of Randolph School District  
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December 8, 2023

9) OTHER INFORMATION:

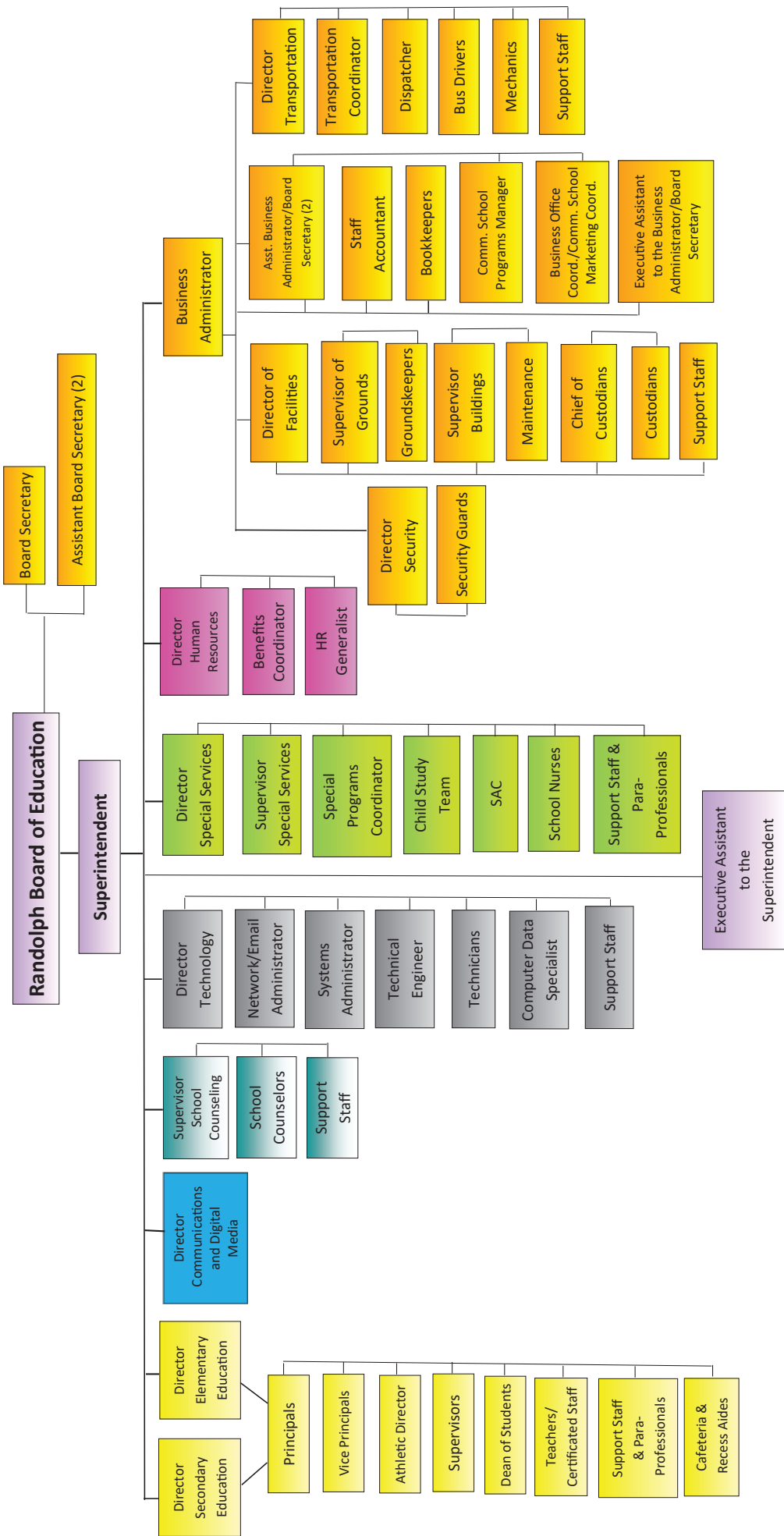
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit and *Governmental Auditing Standards* are included in the single audit section of this report.

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

Respectfully submitted,

Jennifer Fano  
Jennifer Fano  
Superintendent

Stephen Frost  
Stephen Frost  
Business Administrator



**TOWNSHIP OF RANDOLPH SCHOOL DISTRICT**

**Roster of Officials  
June 30, 2023**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Ron Conti, President	2023
Allison Manfred, Co-Vice President	2024
Christine Petrat, Co-Vice President	2023
Amanda Adams	2025
Hazel Ball	2025
Sheldon Epstein	2025
Michael Giordano	2024
Dorene Roche	2023
Jaime Walker	2023

**OTHER OFFICIALS**

**TITLE**

Jennifer A. Fano

Superintendent of Schools

Stephen Frost

School Business Administrator/Board Secretary

**TOWNSHIP OF RANDOLPH SCHOOL DISTRICT**  
**Consultants and Advisors**

**Architect**

Parette Somjen Architecture  
439 US Highway 46, Suite 4  
Rockaway, New Jersey 07866

**Attorney**

Schenck, Price, Smith & King LLP  
220 Park Avenue  
Florham Park, New Jersey 07932

**Audit Firm**

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

**Official Depository**

Citizens Bank  
101 Wood Avenue South  
Iselin, NJ 08830

**FINANCIAL SECTION**

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Township of Randolph School District  
County of Morris, New Jersey

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Board of Education of the Randolph Township School District (the “District”), in the County of Morris, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements as listed in the table of contents.

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

#### ***Basis for Opinions***

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

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

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

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

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

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office, we:

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, which follows this report, the pension and post-retirement schedules in Exhibits L-1 through L-5 and the related notes, and the budgetary comparison information in Exhibits C-1 through C-3 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, are required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and the schedules of expenditures of federal and state awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information schedules and the schedules of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

December 8, 2023  
Mount Arlington, New Jersey

NISIVOCCIA LLP

*Francis Jones of Nisivoccia LLP*  
Francis Jones  
Licensed Public School Accountant #1154  
Certified Public Accountant

**REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Management's Discussion and Analysis

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

### Overview of the Financial Statements

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

- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more* detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services and the community school.
- *Notes to Financial Statements* provide additional information essential to a full understanding of the district-wide and fund financial statements. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1**  
**Organization of Financial Report**

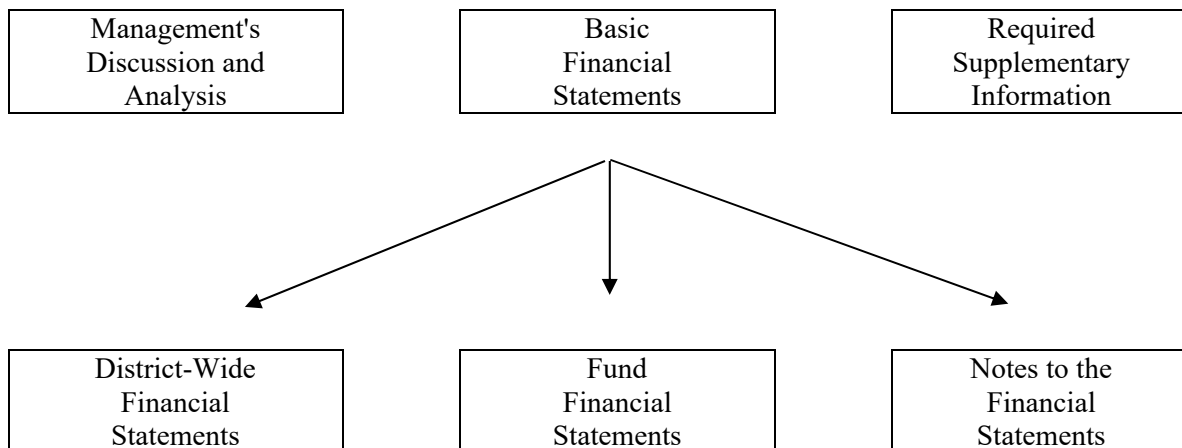


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

**Figure A-2**

**Major Features of the District-Wide and Fund Financial Statements**

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary such as special education and building maintenance	Activities the district operates similar to private businesses: food services, community school
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses and changes in net position</li> <li>• Statement of cash flows</li> </ul>
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term, and deferred inflows and outflows	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets or long-term liabilities are included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

## ***District-wide Statements***

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

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

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

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

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

## ***Fund Financial Statements***

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

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

The District has two kinds of funds:

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

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

### Financial Analysis of the District as a Whole

*Net Position.* The District's combined net position totaled \$45,724,329, 19.39% more than the prior year. Net position invested in capital assets increased \$3,727,826, restricted net position increased \$ 4,145,057 and unrestricted net position decreased \$445,375. (See Figure A-3) Net position invested in capital assets increased primarily due to paydown of serial bonds and capital assets additions, offset by annual depreciation. Restricted net position increased primarily due to increases in the Capital Reserve and Maintenance Reserve. Unrestricted net position decreased mainly due to an increase in the net pension liability and a decrease in year-end encumbrances offset by the changes in deferred outflows related to pensions and deferred inflows related to pensions.

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

	Government Activities		Business-Type Activities		Total School District		Total
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	Percentage Change 2022/23
Current and							
Other Assets	\$ 27,077,954	\$ 24,526,888	\$ 1,861,477	\$ 1,570,039	\$ 28,939,431	\$ 26,096,927	
Capital Assets, Net	81,982,305	80,626,873	478,245	517,651	82,460,550	81,144,524	
Lease Assets, Net	959,264	1,165,018			959,264	1,165,018	
Total Assets	<u>110,019,523</u>	<u>106,318,779</u>	<u>2,339,722</u>	<u>2,087,690</u>	<u>112,359,245</u>	<u>108,406,469</u>	3.65%
Deferred Outflows of Resources	<u>3,762,073</u>	<u>3,470,699</u>	<u>32,771</u>	<u>104,261</u>	<u>3,794,844</u>	<u>3,574,960</u>	6.15%
Other Liabilities	5,944,897	3,047,040	246,384	124,310	6,191,281	3,171,350	
Long-Term Liabilities							
Outstanding	<u>60,057,574</u>	<u>58,502,924</u>	<u>206,098</u>	<u>583,778</u>	<u>60,263,672</u>	<u>59,086,702</u>	
Total Liabilities	<u>66,002,471</u>	<u>61,549,964</u>	<u>452,482</u>	<u>708,088</u>	<u>66,454,953</u>	<u>62,258,052</u>	6.74%
Deferred Inflows of Resources	<u>3,937,841</u>	<u>11,048,337</u>	<u>36,966</u>	<u>378,219</u>	<u>3,974,807</u>	<u>11,426,556</u>	-65.21%
Net Position:							
Net Investment in							
Capital Assets	46,445,041	42,677,809	478,245	517,651	46,923,286	43,195,460	
Restricted	14,545,719	10,400,662			14,545,719	10,400,662	
Unrestricted/(Deficit)	<u>(17,149,476)</u>	<u>(15,887,294)</u>	<u>1,404,800</u>	<u>587,993</u>	<u>(15,744,676)</u>	<u>(15,299,301)</u>	
Total Net Position	<u>\$ 43,841,284</u>	<u>\$ 37,191,177</u>	<u>\$ 1,883,045</u>	<u>\$ 1,105,644</u>	<u>\$ 45,724,329</u>	<u>\$ 38,296,821</u>	19.39%

## Changes in Net Position

The Changes in Net Position shows the cost of program services and the revenues of the District on a comparative schedule (Figure A-4).

**Figure A-4**  
**Changes in Net Position from Operating Results**

	Governmental Activities <u>2022/23</u>	Business-Type Activities <u>2022/23</u>	Total School District <u>2022/23</u>	Governmental Activities <u>2021/22</u>	Business-Type Activities <u>2021/22</u>	Total School District <u>2021/22</u>	Percentage Change <u>2022/23</u>
Revenue:							
Program Revenue:							
Charges for Services	\$ 2,044,565	\$ 1,783,380	\$ 3,827,945	\$ 1,637,000	\$ 1,412,667	\$ 3,049,667	
Operating Grants and Contributions	22,274,537	569,684	22,844,221	27,451,137	1,929,564	29,380,701	
General Revenue:							
Property Taxes	83,628,222		83,628,222	82,052,983		82,052,983	
Unrestricted State and Federal Aid	3,767,158		3,767,158	4,733,976		4,733,976	
Other	734,039	10,702	744,741	372,422	5,021	377,443	
Total Revenue	<u>112,448,521</u>	<u>2,363,766</u>	<u>114,812,287</u>	<u>116,247,518</u>	<u>3,347,252</u>	<u>119,594,770</u>	-4.00%
Expenses:							
Instruction	58,481,439		58,481,439	59,961,900		59,961,900	
Pupil and Instruction Services	16,859,557		16,859,557	17,609,053		17,609,053	
Administrative and Business	12,061,010		12,061,010	11,947,535		11,947,535	
Maintenance and Operations	10,967,931		10,967,931	11,290,821		11,290,821	
Pupil Transportation	6,458,666		6,458,666	5,641,834		5,641,834	
Other	969,811	1,586,365	2,556,176	1,031,399	3,514,643	4,546,042	
Total Expenses	<u>105,798,414</u>	<u>1,586,365</u>	<u>107,384,779</u>	<u>107,482,542</u>	<u>3,514,643</u>	<u>110,997,185</u>	-3.25%
Increase (Decrease) in Net Position	<u>\$ 6,650,107</u>	<u>\$ 777,401</u>	<u>\$ 7,427,508</u>	<u>\$ 8,764,976</u>	<u>\$ (167,391)</u>	<u>\$ 8,597,585</u>	-13.61%

## ***Governmental Activities***

As illustrated elsewhere in this document, the overall financial position of the District continues to improve. Through continued adherence to “best practices” (such as controlling costs and maximizing revenues) and judicious deployment of resources, the District has been able to maintain, expand or improve existing programs while prudently adding new ones. However, despite the overall financial environment seeing some improvement of late, the future is still quite uncertain as to school funding and its potential impact on school district operations.

With that being the case, the District needs to continue to carefully and thoroughly evaluate all aspects of its ongoing programs and operations for efficiencies and to insure that any proposed new activities or program expansions are financially viable on a long-term basis prior to implementation. This effort will allow the District to continue to enhance the overall educational environment of its students while dealing with any financial adversities which arise.

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

**Figure A-5**

### **Net Cost of Governmental Activities**

	<u>Total Cost of Services</u> <u>2022/23</u>	<u>Total Cost of Services</u> <u>2021/22</u>	<u>Net Cost of Services</u> <u>2022/23</u>	<u>Net Cost of Services</u> <u>2021/22</u>
Sources of Income:				
Instruction	\$ 58,481,439	\$ 59,961,900	\$42,153,585	\$40,044,210
Pupil and Instruction Services	16,859,557	17,609,053	13,211,484	13,968,644
Administrative and Business	12,061,010	11,947,535	10,781,287	10,163,389
Maintenance and Operations	10,967,931	11,290,821	10,081,688	9,911,072
Transportation	6,458,666	5,641,834	4,622,028	3,612,233
Other	969,811	1,031,399	629,240	694,857
	<u>\$105,798,414</u>	<u>\$107,482,542</u>	<u>\$81,479,312</u>	<u>\$78,394,405</u>



***Business-Type Activities***

Net position from the District’s business-type activity increased \$777,401 mainly as a result of the decrease in the net pension liability in the community school program and revenues exceeding expenses in the food service program due to government subsidies. (Refer to Figure A-4).

**Financial Analysis of the District’s Funds**

As mentioned previously, the District’s financial position improved in the General Fund during the year. For the most part, the financial improvements were due to cost reductions, evaluation of programs and services.

**General Fund Budgetary Highlights**

During the course of each school year, the District revises its annual operating budget as needed within permitted guidelines. During the year, budget amendments were made to budgetary line items for changes in school-based needs for programs, supplies and equipment.

**Capital Asset and Long-term Liabilities Administration**

**Figure A-6  
Capital Assets (Net of Depreciation)**

	Government Activities		Business-Type Activities		Total School District		Total Percentage Change
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	
Land	\$ 3,465,955	\$ 3,465,955			\$ 3,465,955	\$ 3,465,955	
Construction in Progress	21,375,185	21,355,349			21,375,185	21,355,349	
Buildings and Building Improvements	52,136,377	50,957,959			52,136,377	50,957,959	
Furniture, Machinery and Equipment	5,004,788	4,847,610	\$ 478,245	\$ 517,651	5,483,033	5,365,261	
<b>Total</b>	<b>\$ 81,982,305</b>	<b>\$ 80,626,873</b>	<b>\$ 478,245</b>	<b>\$ 517,651</b>	<b>\$ 82,460,550</b>	<b>\$ 81,144,524</b>	1.62%

**Long-term Liabilities**

At year-end, the District had \$29,925,000 in general obligation bonds outstanding – a decrease of \$2,985,000 from last year – as shown in Figure A-7. Net Pension Liability increased by \$4,524,278, financed purchases increased by \$119,956, leases decreased by \$211,318 and other long-term liabilities decreased by \$270,946 - as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 7 to the financial statements.)

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

	Total School District		Total Percentage Change
	2022/23	2021/22	
General Obligation Bonds (Financed with Property Taxes)	\$ 29,925,000	\$ 32,910,000	
Unamortized Bond Issuance Premium		206,326	
Net Pension Liability	22,161,064	17,636,786	
Other Long-Term Liabilities	8,177,608	8,333,590	
	<u>\$ 60,263,672</u>	<u>\$ 59,086,702</u>	1.99%

**Factors Bearing on the District’s Future Revenue/Expense Changes**

The most likely factors that will have a direct effect on future school district budgeting of both revenue and expenses will continue to be legislation and the overall economy. Two examples of recent legislation that will have a negative impact on the district are:

- 1.) S2 which changes the implementation of the funding formula used to distribute State Aid. These changes in the formula have resulted in the District's State Aid being reduced by \$6.3 Million through Fiscal Year 2025.
- 2.) Chapter 44 which requires that new employees go into a health insurance plan that was created by the law. In Randolph’s case, this plan brings premiums that are higher than all the current plans the district offers and reduces the employee contributions. Employees enrolled in the new plan will pay a percentage of their salary rather than the Chapter 78 percentage of premium that has been in place since 2011. This will result in higher premium costs to the district and lower employee contributions to their insurance coverage.
- 3.) A5060/S3440, enacted in June 2023, expands the potential uses of sick time for employees. While the primary impact will be operational, there are likely to be significant additional substitute and leave replacement expenses.

As to the economy, the recent financial uncertainty related to inflation has created a dramatic increase in regular operating expenses. The State of NJ budget and funding of public schools remains uncertain at the conclusion of S2 and with anticipated revenue shortfalls in the next few state budget years.

Other factors which will affect the District’s finances going forward include the uncertainty of future increases to costs which the District does not have strict control over (such as health benefits, general insurance and utilities) as well as the degree to which overall costs exceed the allowable annual increase to the district’s total budget (now set at 2.0% annually by law). In an ongoing effort to minimize the effect of these factors, the District continues to be focused on ways to improve its revenue stream and control costs, as well as pursuing strategies where possible that can help mitigate some of the uncertainties that will certainly continue to exist.

The District is also dealing with numerous facilities projects in need of completion over the next few years. With more limited funding, it will be a challenge to maintain district facilities to the same standard without increasing taxes.

## **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 25 School House Road, Randolph, New Jersey 07869.

**BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 9,659,922	\$ 1,794,751	\$ 11,454,673
Receivables from Other Governments	2,871,988	23,221	2,895,209
Other Accounts Receivable	326	12,211	12,537
Inventory		31,294	31,294
Restricted Assets - Cash and Cash Equivalents	14,545,718		14,545,718
Capital Assets:			
Land and Construction in Progress	24,821,304		24,821,304
Depreciable Buildings and Building Improvements and Furniture, Machinery and Equipment	57,161,001	478,245	57,639,246
Lease Assets, Net	959,264		959,264
Total Assets	<u>110,019,523</u>	<u>2,339,722</u>	<u>112,359,245</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding	271,042		271,042
District Contribution Subsequent to the Measurement Date - Pensions	1,783,260	16,740	1,800,000
Deferred Outflows of Resources Related to Pensions	1,707,771	16,031	1,723,802
Total Deferred Outflows of Resources	<u>3,762,073</u>	<u>32,771</u>	<u>3,794,844</u>
<b>LIABILITIES</b>			
Accrued Interest Payable	296,090		296,090
Accounts Payable	5,375,560	117,184	5,492,744
Payable to Federal and State Governments	13,764		13,764
Unearned Revenue	259,483	129,200	388,683
Noncurrent Liabilities:			
Due Within One Year	5,191,875		5,191,875
Due Beyond One Year	54,865,699	206,098	55,071,797
Total Liabilities	<u>66,002,471</u>	<u>452,482</u>	<u>66,454,953</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Inflows of Resources Related to Pensions	3,937,841	36,966	3,974,807
Total Deferred Inflows of Resources	<u>3,937,841</u>	<u>36,966</u>	<u>3,974,807</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	46,445,041	478,245	46,923,286
Restricted for:			
Capital Projects	12,674,495		12,674,495
Debt Service	1		1
Maintenance Reserve	1,362,395		1,362,395
Student Activities	481,453		481,453
Scholarships	27,375		27,375
Unrestricted (Deficit)	(17,149,476)	1,404,800	(15,744,676)
Total Net Position	<u>\$ 43,841,284</u>	<u>\$ 1,883,045</u>	<u>\$ 45,724,329</u>

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction	\$ 58,481,439	\$ 1,410,036	\$ 14,917,818	\$ (42,153,585)	\$	\$ (42,153,585)
Support Services:						
Tuition	1,461,101			(1,461,101)		(1,461,101)
Student & Instruction Related Services	15,398,456	634,529	3,013,544	(11,750,383)		(11,750,383)
General Administrative Services	1,932,846		100,130	(1,832,716)		(1,832,716)
School Administrative Services	4,633,992		675,624	(3,958,368)		(3,958,368)
Central Services	2,460,289		234,213	(2,226,076)		(2,226,076)
Administrative Information Technology	3,033,883		269,756	(2,764,127)		(2,764,127)
Plant Operations and Maintenance	10,967,931		886,243	(10,081,688)		(10,081,688)
Pupil Transportation	6,458,666		1,836,638	(4,622,028)		(4,622,028)
Unallocated Depreciation	8,651			(8,651)		(8,651)
Interest on Long-Term Debt	758,190		340,571	(417,619)		(417,619)
Transfer of Funds to Charter Schools	202,970			(202,970)		(202,970)
Total Governmental Activities	105,798,414	2,044,565	22,274,537	(81,479,312)		(81,479,312)

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Functions/Programs	Program Revenue		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Business-Type Activities:						
Food Service	\$ 1,602,122	\$ 1,188,994	\$ 569,684		\$ 156,556	\$ 156,556
Community School	(15,757)	594,386			610,143	610,143
Total Business-Type Activities	1,586,365	1,783,380	569,684		766,699	766,699
Total Primary Government	\$ 107,384,779	\$ 3,827,945	\$ 22,844,221	\$ (81,479,312)	766,699	(80,712,613)

General Revenue:

Taxes:						
Property Taxes, Levied for General Purposes, Net				80,203,073		80,203,073
Taxes Levied for Debt Service				3,425,149		3,425,149
Federal and State Aid not Restricted				3,767,158		3,767,158
Investment Earnings				483,208	10,702	493,910
Miscellaneous Income				250,831		250,831
Total General Revenue				88,129,419	10,702	88,140,121
Change in Net Position				6,650,107	777,401	7,427,508
Net Position - Beginning				37,191,177	1,105,644	38,296,821
Net Position - Ending				\$ 43,841,284	\$ 1,883,045	\$ 45,724,329

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



**FUND FINANCIAL STATEMENTS**

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 8,997,072	\$ 200,946	\$ 220,733	\$ 1	\$ 9,418,752
Receivables:					
Federal Government		143,381			143,381
State Government	2,522,912				2,522,912
Other	205,695	326			206,021
Restricted Cash and Cash Equivalents	<u>14,036,890</u>	<u>508,828</u>			<u>14,545,718</u>
Total Assets	<u>\$ 25,762,569</u>	<u>\$ 853,481</u>	<u>\$ 220,733</u>	<u>\$ 1</u>	<u>\$ 26,836,784</u>
 <b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 3,520,894	\$ 71,406			\$ 3,592,300
Payable to State Government		13,764			13,764
Unearned Revenue		<u>259,483</u>			<u>259,483</u>
Total Liabilities	<u>3,520,894</u>	<u>344,653</u>			<u>3,865,547</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023  
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Fund Balances:					
Restricted for:					
Capital Reserve Account	\$ 12,674,495				\$ 12,674,495
Maintenance Reserve Account	1,362,395				1,362,395
Capital Projects Fund			\$ 220,733		220,733
Debt Service				\$ 1	1
Student Activities		\$ 481,453			481,453
Scholarships		27,375			27,375
Assigned:					
Designated for Subsequent Year's Expenditures	1,165,000				1,165,000
Year End Encumbrances	4,529,481				4,529,481
Unassigned	2,510,304				2,510,304
Total Fund Balances	22,241,675	508,828	220,733	1	22,971,237
Total Liabilities and Fund Balances	\$ 25,762,569	\$ 853,481	\$ 220,733	\$ 1	

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.	81,982,305
Leased Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	959,264
Long-term liabilities, such as bonds payable, financed purchases, leases payable and accrued compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(38,102,608)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(21,954,966)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows	1,707,771
Deferred Inflows	(3,937,841)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(296,090)
The deferred amount on the refunding is not reported as an expenditure in the governmental funds in the year of the expenditure.	271,042
Internal service funds are used by management to charge the costs of health benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.	241,170
Net Position of Governmental Activities (Exhibit A-1)	\$ 43,841,284

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUE:</b>					
<b>Local Sources:</b>					
Local Tax Levy	\$ 80,203,073			\$ 3,425,149	\$ 83,628,222
Tuition Charges	1,410,036				1,410,036
Interest Earned on Capital Reserve Funds	69,880				69,880
Miscellaneous	664,159	\$ 695,079			1,359,238
<b>Total - Local Sources</b>	<b>82,347,148</b>	<b>695,079</b>		<b>3,425,149</b>	<b>86,467,376</b>
State Sources	30,730,390	175,133		340,571	31,246,094
Federal Sources	103,590	2,219,001			2,322,591
<b>Total Revenue</b>	<b>113,181,128</b>	<b>3,089,213</b>		<b>3,765,720</b>	<b>120,036,061</b>
<b>EXPENDITURES</b>					
<b>Current:</b>					
Regular Instruction	28,424,247	174,690			28,598,937
Special Education Instruction	7,919,079	1,032,296			8,951,375
Other Special Instruction	513,451				513,451
Other Instruction	1,783,741				1,783,741
<b>Support Services and Undistributed Costs:</b>					
Tuition	1,461,101				1,461,101
Student & Instruction Related Services	9,853,232	1,268,430			11,121,662
General Administrative Services	1,635,345				1,635,345
School Administrative Services	3,014,068				3,014,068
Central Services	1,138,976				1,138,976
Administrative Information Technology	2,457,508				2,457,508
Plant Operations and Maintenance	8,124,989				8,124,989
Pupil Transportation	4,286,041				4,286,041
Unallocated Benefits	37,414,031				37,414,031
<b>Debt Service:</b>					
Principal				2,985,000	2,985,000
Interest and Other Charges				780,720	780,720
Capital Outlay	6,504,333	537,493	\$ 304,786		7,346,612
Transfer of Funds to Charter Schools	202,970				202,970
<b>Total Expenditures</b>	<b>114,733,112</b>	<b>3,012,909</b>	<b>304,786</b>	<b>3,765,720</b>	<b>121,816,527</b>
Excess/(Deficiency) of Revenue over/(under) Expenditures	(1,551,984)	76,304	(304,786)		(1,780,466)
<b>OTHER FINANCING SOURCES/(USES)</b>					
Financed Purchases (Non-Budgeted)	1,963,750				1,963,750
<b>Total Other Financing Sources/(Uses)</b>	<b>1,963,750</b>				<b>1,963,750</b>
<b>Net Change in Fund Balances</b>	<b>411,766</b>	<b>76,304</b>	<b>(304,786)</b>		<b>183,284</b>
Fund Balance - July 1	21,829,909	432,524	525,519	1	22,787,953
<b>Fund Balance - June 30</b>	<b>\$ 22,241,675</b>	<b>\$ 508,828</b>	<b>\$ 220,733</b>	<b>\$ 1</b>	<b>\$ 22,971,237</b>

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)	\$	183,284
Total Net Change in Fund Balances - Internal Service Fund (from Exhibit B-5)		(571,884)
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays related to capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation differs from capital outlays in the period.		
Depreciation expense	\$	(4,027,676)
Capital Asset Additions		<u>5,383,108</u>
		1,355,432
Capital outlays related to lease assets are reported in governmental funds as expenditures. However, in the statement of activities the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period		
Amortization expense	\$	(205,754)
Lease Asset Additions		<u>-0-</u>
		(205,754)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		64,620
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		2,985,000
Financed purchases entered into by the District are an other financing source in the governmental funds, but the acquisition increases long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		(1,963,750)
Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities		
		211,318
Repayment of financed purchases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		
		1,843,794
In the statement of activities, interest on long-term debt in the statement of activities is accrued regardless of when due. In the governmental funds, interest is reported when due.		
		34,566
The governmental funds report the effect of premiums and the deferred amount on the refunding when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
		52,304
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		(4,901,958)
Changes in Deferred Inflows		7,110,496
Changes in Deferred Outflows		<u>452,639</u>
Change in Net Position of Governmental Activities (Exhibit A-2)	\$	<u><u>6,650,107</u></u>

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023

	Business-type Activities - Enterprise Funds		Governmental
	Major Funds		Activities -
	Community School	Food Service	Internal Service Fund
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 1,025,658	\$ 769,093	\$ 241,170
Accounts Receivable:			
State		1,008	
Federal		22,213	
Other	3,121	9,090	
Inventories		31,294	
Total Current Assets	1,028,779	832,698	241,170
Non-Current Assets:			
Machinery and Equipment	506,192	774,418	
Less: Accumulated Depreciation	(210,329)	(592,036)	
Total Non-Current Assets	295,863	182,382	
Total Assets	1,324,642	1,015,080	241,170
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	639		
Changes in Proportion - Pension	5,375		
Difference Between Expected and Actual Experience - Pension	1,488		
Difference Between Projected and Actual Earnings on Investments - Pension	8,529		
District Contribution Subsequent to the Measurement Date - Pension	16,740		
Total Deferred Outflows of Resources	32,771		

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023

	Business-type Activities - Enterprise Funds		Governmental
	Major Funds		Activities -
	Community School	Food Service	Internal Service Fund
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable	\$ 49,814	\$ 67,370	
Unearned Revenue		129,200	
Long-term Liabilities:			
Net Pension Liability	206,098		
Total Liabilities	255,912	196,570	
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	30,861		
Changes in Proportion - Pension	4,793		
Difference Between Expected and Actual Experience - Pension	1,312		
Total Deferred Inflows of Resources	36,966		
<u>NET POSITION:</u>			
Investment in Capital Assets	295,863	182,382	
Unrestricted	768,672	636,128	\$ 241,170
Total Net Position	\$ 1,064,535	\$ 818,510	\$ 241,170

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Funds		
	Community School	Food Service	
Operating Revenue			
Local Sources:			
Daily Sales - Reimbursable Programs		\$ 1,028,178	
Daily Sales - Non-Reimbursable Programs		160,816	
Community School - Regular Program Fees Charges and Fees	\$ 594,386		\$ 4,112,380
	<u>594,386</u>	<u>1,188,994</u>	<u>4,112,380</u>
Total Operating Revenue	<u>594,386</u>	<u>1,188,994</u>	<u>4,112,380</u>
Operating Expenses:			
Cost of Sales (Reimbursable) Programs		495,712	
Cost of Sales (Non-Reimbursable) Programs		183,345	
Salaries	341,527	536,653	
Employee Benefits	(596,664)	160,594	4,698,050
Purchased Professional/Technical Services	20,982	18,387	
Other Purchased Services	63,285	339	
Supplies and Materials	72,157	107,952	
Management Fee		66,300	
Miscellaneous	5,583	8,626	
Depreciation	77,373	24,214	
	<u>(15,757)</u>	<u>1,602,122</u>	<u>4,698,050</u>
Total Operating Expenses	<u>(15,757)</u>	<u>1,602,122</u>	<u>4,698,050</u>
Operating Income/(Loss)	<u>610,143</u>	<u>(413,128)</u>	<u>(585,670)</u>
Non-Operating Revenue:			
State Sources:			
State School Lunch Program		17,061	
State School Breakfast Program		505	
Federal sources:			
Local Food for Schools Program		2,790	
National School Lunch Program		321,052	
School Breakfast Program		21,086	
Supply Chain Assistance		134,761	
Food Distribution Program		72,429	
Local Sources:			
Interest Income	10,702		13,786
	<u>10,702</u>	<u>569,684</u>	<u>13,786</u>
Total Non-Operating Revenue	<u>10,702</u>	<u>569,684</u>	<u>13,786</u>
Change in Net Position	620,845	156,556	(571,884)
Net Position - Beginning of Year	<u>443,690</u>	<u>661,954</u>	<u>813,054</u>
Net Position - End of Year	<u>\$ 1,064,535</u>	<u>\$ 818,510</u>	<u>\$ 241,170</u>

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



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds		Governmental Activities - Internal Service Fund
	Major Funds		
	Community School	Food Service	
Cash flows from operating activities:			
Receipts from customers	\$ 594,386	\$ 1,199,384	\$ 4,112,380
Payments to employees	(395,037)	(697,247)	
Payments to suppliers	(193,620)	(750,040)	
Payments for Health Benefit Claims and Expenses			(4,698,050)
Net cash provided by / (used for) operating activities	<u>5,729</u>	<u>(247,903)</u>	<u>(585,670)</u>
Cash flows from investing activities:			
Interest income	<u>10,702</u>		<u>13,786</u>
Net cash provided by investing activities	<u>10,702</u>		<u>13,786</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	<u>(21,546)</u>	<u>(40,635)</u>	
Net cash used for capital and related financing activities	<u>(21,546)</u>	<u>(40,635)</u>	
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements		658,589	
Cash disbursed to General Fund-Interfund		<u>(35,563)</u>	
Net cash provided by noncapital financing activities		<u>623,026</u>	
Net increase / (decrease) in cash and cash equivalents	(5,115)	334,488	(571,884)
Cash and cash equivalents, July 1	<u>1,030,773</u>	<u>434,605</u>	<u>813,054</u>
Cash and cash equivalents, June 30	<u>\$ 1,025,658</u>	<u>\$ 769,093</u>	<u>\$ 241,170</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds		Governmental
	Major Funds		Activities -
	Community School	Food Service	Internal Service Fund
Reconciliation of operating income/(loss) to net cash provided by/(used for) operating activities:			
Operating income/(loss)	\$ 610,143	\$ (413,128)	\$ (585,670)
Adjustment to reconcile operating income/(loss) to net cash provided by (used for) operating activities:			
Depreciation	77,373	24,214	
Federal food distribution program		72,429	
Changes in assets and liabilities:			
(Increase) in accounts receivable	(2,731)	(9,053)	
(Increase) in inventory		(9,178)	
Increase/(Decrease) in accounts payable	(31,613)	67,370	
Increase in unearned revenue		19,443	
(Decrease) in net pension liability	(377,680)		
Decrease in deferred outflows related to pensions	71,490		
(Decrease) in deferred inflows related to pensions	(341,253)		
Net cash provided by / (used for) operating activities	\$ 5,729	\$ (247,903)	\$ (585,670)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received \$75,734 and utilized \$72,429 of commodities from the Federal Food Distribution Program for the fiscal year ended June 30, 2023.

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of the Township of Randolph School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

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

Governmental Accounting Standards Board ("GASB") Codification Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents. (2) The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization. (3). The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation:

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business-type activities. These statements include the financial activities of the overall District in its entirety. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other nonexchange transactions. Business-type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds. Separate statements for each fund category - *governmental, proprietary and fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all governmental funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the capital outlay sub fund.

As required by the NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

Special Revenue Fund: The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, lease assets or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report the financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

The District reports the following proprietary funds:

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

Internal Service Fund: The District operates an internal service fund for health benefits. The fund is utilized to account for operations that are financed and operated in a manner similar to a private business enterprise.

C. Measurement Focus and Basis of Accounting

The District-wide financial statements and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset, lease asset or subscription asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under financed purchases are reported as other financing sources.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus and Basis of Accounting (Cont'd)

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 113,036,402	\$ 2,702,636
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue whereas the GAAP Basis does not.		386,577
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	889,633	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(744,907)</u>	
 Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	 <u>\$ 113,181,128</u>	 <u>\$ 3,089,213</u>
 Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Expenditures" from the Budgetary Comparison Schedule	\$ 114,733,112	\$ 2,626,332
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>386,577</u>
 Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	 <u>\$ 114,733,112</u>	 <u>\$ 3,012,909</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents and Investments:

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

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

New Jersey school districts are limited as to type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

F. Interfund Transactions

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenue. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenue/expenses in the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position for amounts due between governmental and business-type activities, which are presented as internal balances.

G. Allowance for Uncollectible Accounts

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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

	Estimated Useful Life
Buildings and Building Improvements	30 years
Machinery, Furniture and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Capital Assets: (Cont'd)

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental funds upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

L. Lease Assets:

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

M. Subscription Assets:

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

N. Long Term Liabilities:

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

O. Accrued Salaries and Wages:

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

P. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. These employee contracts/agreements permit employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the applicable District employee contract/agreement.

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Q. Lease Payable

In the district-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

R. Subscription Payable:

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

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

T. Fund Balance Appropriated:

General Fund: Of the \$22,241,675 General Fund balance at June 30, 2023, \$4,529,481 is assigned fund balance for year-end encumbrances; \$1,165,000 has been appropriated and included as anticipated revenue for the year ending June 30, 2024; \$12,674,495 is restricted in the capital reserve account; \$1,362,395 is restricted in the maintenance reserve account; and \$2,510,304 is unassigned which is \$744,097 less on the GAAP basis than the calculated maximum unassigned fund balance due to the June state aid payments that are not recognized until the fiscal year ending June 30, 2024.

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2023 is \$508,828 and is restricted for student activities and scholarships.

Capital Projects Fund: The Capital Projects Fund balance of \$220,733 at June 30, 2023 is restricted.

Debt Service Fund: The restricted Debt Service Fund balance at June 30, 2023 is \$1.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had no excess surplus at June 30, 2023.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$744,907 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, Districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school Districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school District cannot recognize the June state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

U. Net Position:

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

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

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, lease assets, net of accumulated amortization, and subscription assets, net of accumulated amortization reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

V. Deficit Net Position:

The District has a deficit in unrestricted net position of \$17,149,476 in governmental activities, which is primarily due to compensated absences payable and net pension liability and related deferred inflows and outflows. This deficit does not indicate that the District is having financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established for a capital reserve, a maintenance reserve, the Capital Projects Fund, the Debt Service Fund, student activities and scholarships.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2023.

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

X. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. These revenues are food service sales and community school fees. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Z. Management Estimates:

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

AA. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

GASB requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below.

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located.
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments (Cont'd):

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



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments (Cont'd):

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents				Total
	Capital Reserve Account	Maintenance Reserve Account	Student Activities	Scholarships		
Checking and Savings Accounts	\$ 11,454,673	\$12,674,495	\$ 1,362,395	\$481,453	\$ 27,375	\$26,000,391

During the period ended June 30, 2023, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$26,000,391 and the bank balance was \$26,479,258.

NOTE 4: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2023, the District transferred \$133,319 to the capital outlay accounts for equipment and did not require approval from the County Superintendent.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 5. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 3,465,955			\$ 3,465,955
Construction in Progress	21,355,349	\$ 3,032,712	\$ (3,012,876)	21,375,185
Total Capital Assets Not Being Depreciated	<u>24,821,304</u>	<u>3,032,712</u>	<u>(3,012,876)</u>	<u>24,841,140</u>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	103,359,374	1,547,203	3,012,876	107,919,453
Machinery and Equipment	20,720,483	803,193	(653,685)	20,869,991
Total Capital Assets Being Depreciated	<u>124,079,857</u>	<u>2,350,396</u>	<u>2,359,191</u>	<u>128,789,444</u>
Governmental Activities Capital Assets	<u>148,901,161</u>	<u>5,383,108</u>	<u>(653,685)</u>	<u>153,630,584</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(52,401,415)	(3,381,661)		(55,783,076)
Machinery and Equipment	(15,872,873)	(646,015)	653,685	(15,865,203)
	<u>(68,274,288)</u>	<u>(4,027,676)</u>	<u>653,685</u>	<u>(71,648,279)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 80,626,873</u>	<u>\$ 1,355,432</u>	<u>\$ -0-</u>	<u>\$ 81,982,305</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 1,218,429	\$ 62,181		\$ 1,280,610
Less Accumulated Depreciation	(700,778)	(101,587)		(802,365)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 517,651</u>	<u>\$ (39,406)</u>	<u>\$ -0-</u>	<u>\$ 478,245</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,548,176
Student and Instruction Related Services	518,310
General Administration Services	78,234
School Administration Services	176,889
Central Services	836,503
Operations and Maintenance of Plant	678,137
Student Transportation	182,776
Unallocated	8,651
	<u>\$ 4,027,676</u>

The District expended \$3,032,712 toward construction projects during the fiscal year. As of June 30, 2023, the District has \$24,495,000 in active construction projects.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 6. LEASE ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Lease Assets Being Amortized:				
Buildings	\$ 702,964			\$ 702,964
Machinery and Equipment	739,605			739,605
Total Lease Assets Being Amortized	<u>1,442,569</u>			<u>1,442,569</u>
Governmental Activities Lease Assets	<u>1,442,569</u>			<u>1,442,569</u>
Less Accumulated Amortization for:				
Buildings	(129,630)	\$ (57,833)		(187,463)
Machinery and Equipment	<u>(147,921)</u>	<u>(147,921)</u>		<u>(295,842)</u>
	<u>(277,551)</u>	<u>(205,754)</u>		<u>(483,305)</u>
Governmental Activities Lease Assets, Net of Accumulated Amortization	<u>\$ 1,165,018</u>	<u>\$ (205,754)</u>	<u>\$ -0-</u>	<u>\$ 959,264</u>

Amortization expense was charged to governmental functions as follows:

General Administration Services	\$ 147,921
Student Transportation	<u>57,833</u>
	<u>\$ 205,754</u>

NOTE 7. LONG-TERM LIABILITIES

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

	Balance 6/30/2022	Accrued	Retired	Balance 6/30/2023
Bonds Payable	\$ 32,910,000		\$ 2,985,000	\$29,925,000
Unamortized Bond Issuance Premium	206,326		206,326	
Net Pension Liability	17,636,786	\$ 4,524,278		22,161,064
Compensated Absences Payable	1,178,925	164,643	229,263	1,114,305
Financed Purchases Payable	5,971,121	1,963,750	1,843,794	6,091,077
Leases Payable	<u>1,183,544</u>		<u>211,318</u>	<u>972,226</u>
	<u>\$ 59,086,702</u>	<u>\$ 6,652,671</u>	<u>\$ 5,475,701</u>	<u>\$60,263,672</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

A. 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 Board are general obligation bonds and will be liquidated through the Debt Service Fund. The current portion of bonds payable is \$3,070,000 and the long-term portion is \$26,855,000.

On April 13, 2021, the District issued refunding school bonds in the amount of \$9,385,000 with interest rates ranging from .33% to 1.82% to refund \$6,450,000 of the February 8, 2012 school bonds with interest rates ranging from 2.00% to 4.00% and \$2,445,000 of the January 23, 2013 refunding school bonds with interest rates ranging from 4.00% to 5.00%. The bonds mature on August 1, 2021 through 2028 and are non-callable. The net proceeds from the issuance of the refunding bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the 2012 school bonds were called on February 1, 2022 and the 2013 refunding school bonds were called on February 1, 2023. The refunding met the requirements of an insubstance debt defeasance and the bonds were removed from the School's government-wide financial statements.

As a result of the refunding, the District will realize a total of \$438,593 in cash savings over the life of the bond issue. On a net present value basis, the savings equate to \$370,629, or 4.172% of the bonds refunded.

The District had bonds outstanding as of June 30, 2023 as follows:

<u>Purpose</u>	<u>Serial Bonds</u> Final Maturity Date	Interest Rate	Amount
Various Building Improvements	8/1/2038	3.25-4.00%	\$ 10,710,000
Various Building Improvements	8/1/2038	2.00-3.00%	10,935,000
Refunding Bonds	8/1/2028	.35-1.82%	<u>8,280,000</u>
			<u>\$ 29,925,000</u>

Principal and interest due on serial bonds outstanding are as follows:

<u>Year</u> Ending <u>June 30,</u>	<u>Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 3,070,000	\$ 694,673	\$ 3,764,673
2025	3,130,000	659,186	3,789,186
2026	2,450,000	614,955	3,064,955
2027	2,465,000	564,635	3,029,635
2028	2,450,000	511,714	2,961,714
2029-2033	7,985,000	1,879,464	9,864,464
2034-2038	7,000,000	841,500	7,841,500
2039	<u>1,375,000</u>	<u>24,125</u>	<u>1,399,125</u>
	<u>\$ 29,925,000</u>	<u>\$ 5,790,252</u>	<u>\$ 35,715,252</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

B. Financed Purchases Payable:-

The District has financed purchases agreements for technology equipment, buses and vehicles totaling \$11,107,733 of which \$5,016,656 has been liquidated as of June 30, 2023. The finance purchases agreements are for five years in length and will be liquidated by the General Fund. The following is a schedule of the future minimum financed purchases payments, and the present value of the net minimum financed purchases payments at June 30, 2023.

<u>Fiscal Year</u>	<u>Amount</u>
2024	\$ 2,002,397
2025	1,704,368
2026	1,391,035
2027	891,537
2028	426,144
Total Minimum Lease Payments	<u>6,415,481</u>
Less: Amount representing interest	<u>324,404</u>
Present value of net minimum lease payments	<u>\$ 6,091,077</u>

The current portion of the financed purchases payable is \$1,915,054 and the long-term portion is \$4,176,023.

C. Leases Payable:

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

<u>Leases Payable</u>				
<u>Purpose</u>	<u>Frequency of Payment</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Lease of Garage	Annual	6/1/2032	2.975%	\$ 517,000
Copiers	Monthly	6/1/2026	2.60%	448,825
Postage Machine	Monthly	6/1/2026	2.60%	<u>6,401</u>
				<u>\$ 972,226</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

C. Leases Payable: (Cont'd)

Principal and interest due on leases outstanding will be liquidated through the General Fund and are as follows:

Year Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 206,821	\$ 25,456
2025	210,708	19,813
2026	214,697	14,068
2027	59,000	10,115
2028	59,000	8,360
2029-2032	222,000	15,886
	\$ 972,226	\$ 93,698

D. Unamortized Bond Premium:

The unamortized bond issuance premium of the governmental fund types is recorded in the noncurrent liabilities. The bond issuance premium balance has been amortized in full at June 30, 2023.

E. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds at June 30, 2023 is \$-0- and the long-term portion of compensated absences of \$1,114,305. There is no liability for vested compensated absences of the proprietary fund types. Compensated Absences Payable will be liquidated by the General Fund.

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$21,954,966. The Public Employees' Retirement System's (PERS) net pension liability of the proprietary fund types is recorded in the current and long-term liabilities and will be liquidated by the Community School Enterprise Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$206,098. See Note 8 for further information on the PERS.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS

Substantially all of the Board’s employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers’ Pension and Annuity Fund (TPAF) or the Public Employee’s Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP), a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) 401(a).

A. Public Employees’ Retirement System (PERS)

Plan Description

The State of New Jersey, Public Employees’ Retirement System (PERS) is a cost-sharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about the PERS, please refer to the Division’s annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

Benefits Provided

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service. The following represents the membership tiers for PERS:

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$1,851,797 for fiscal year 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$46,628 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

A special funding situation exists for certain local employers of the PERS. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation and there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation for the fiscal year ending June 30, 2022, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

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

At June 30, 2023, the District reported a liability was \$22,161,064 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.147%, which was a decrease of 0.002% from its proportion measured as of June 30, 2021.



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit in the amount of \$1,501,338 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$46,628 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

The community school program accounts for the changes in the pension liability and the deferred outflows and inflows through the employee benefits expense.

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

	<u>Year of Deferral</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2018	5.63		\$ (532,708)
	2019	5.21		(665,707)
	2020	5.16		(1,957,538)
	2021	5.13		(162,436)
	2022	5.04	\$ 68,662	
				<u>68,662</u>
Difference Between Expected and Actual Experience	2018	5.63		(20,286)
	2019	5.21	50,887	
	2020	5.16	109,061	
	2021	5.13		(54,604)
	2022	5.04		(66,162)
				<u>159,948</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	21,922	
	2020	5.00	658,779	
	2021	5.00	(4,109,037)	
	2022	5.00	4,345,562	
			<u>917,226</u>	

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

Changes in Proportion	2018	5.63	\$ 20,995	
	2019	5.21		\$ (205,588)
	2020	5.16	301,085	
	2021	5.13	255,886	
	2022	5.04		(309,778)
			<u>577,966</u>	<u>(515,366)</u>
District Contribution Subsequent to the Measurement Date	2022	1.00	<u>1,800,000</u>	
			<u>\$ 3,523,802</u>	<u>\$ (3,974,807)</u>

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2023	\$ (1,900,956)
2024	(968,472)
2025	(472,305)
2026	1,030,391
2027	<u>(2,263)</u>
	<u>\$ (2,313,605)</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 actuarial assumptions:

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 6.55% based on years of service
Investment Rate of Return	7.00%

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	8.00%	11.19%
Real Estate	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 Management Strategies	3.00%	4.91%

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Discount Rate

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

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

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

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 28,470,476	\$ 22,161,064	\$ 16,791,501

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Special Funding Situation (Cont'd)

share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$13,678,225 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$4,760,946.

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$176,902,702. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.343%, which was a decrease of 0.016% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	176,902,702
Total	\$ 176,902,702

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$4,760,946 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
			3,013,097,864	19,441,140,477

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

Difference Between Expected and Actual Experience	2015	8.30	\$ 13,201,022	
	2016	8.30		\$ 21,088,845
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041
			<u>699,820,974</u>	<u>122,664,916</u>
Net Difference Between Projected and Actual	2019	5.00	36,220,692	
Investment Earnings on Pension Plan Investments	2020	5.00	482,791,080	
	2021	5.00	(2,665,975,358)	
	2022	5.00	3,319,334,659	
			<u>1,172,371,073</u>	
			<u>\$ 4,885,289,911</u>	<u>\$ 19,563,805,393</u>

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as follows:

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Actuarial Assumptions

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

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

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

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

Long Term Expected Rate of Return

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



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
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(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Market 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 Management Strategies	3.00%	4.91%

Discount Rate – TPAF

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 207,422,177	\$ 176,902,702	\$ 151,193,878

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

For DCRP, the District recognized pension expense of \$15,982 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$29,301 for the fiscal year ended June 30, 2023.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health Benefits are provided by Aetna Life Insurance Company.

Property and Liability

The District is a member of the School Alliance Insurance Fund (the “Fund”) and the New Jersey Schools Insurance Group (the “NJSIG”). These public entity risk management pools provide general liability, property and automobile coverage and workers’ compensation for its members. A complete schedule of insurance coverage can be found on Exhibit J-20 in the Statistical section of this Annual Comprehensive Financial Report.

The Fund and the NJSIG are risk-sharing public entity risk pools that are both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the PIP are elected.

As a member of the Fund and the NJSIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund and the NJSIG were to be exhausted, members would become responsible for their respective shares of the Fund’s and the NJSIG’s liabilities. The Fund and the NJSIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body. These distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

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

	<u>School Alliance Insurance Fund</u>	<u>New Jersey Schools Insurance Group</u>
Total Assets	<u>\$ 52,198,217</u>	<u>\$ 429,049,188</u>
Net Position	<u>\$ 20,990,635</u>	<u>\$ 201,308,725</u>
Total Revenue	<u>\$ 46,988,143</u>	<u>\$ 160,069,780</u>
Total Expenses	<u>\$ 46,989,023</u>	<u>\$ 141,165,428</u>
Change in Net Position	<u>\$ (880)</u>	<u>\$ 18,904,352</u>
Member Dividends	<u>\$ -0-</u>	<u>\$ -0-</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

Financial statements for the Fund are available at the Administrator's Office.

Public Entity Group Administrative Services  
51 Everett Drive  
Suite B-40  
West Windsor, NJ 08550

Financial statements for the NJSIG are available at the Administrator's Office.

New Jersey Schools Insurance Group  
6000 Midlantic Drive  
Suite 300 North  
Mount Laurel, NJ 08054  
(609) 386-6060

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the District remits employee withholdings and employer's share of New Jersey Unemployment Compensation Insurance taxes to the State each pay period. The State makes all unemployment payments to former employees, and the District has no further liability.

NOTE 10. ECONOMIC DEPENDENCY

The Board of Education receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the Board of Education's programs and activities.

NOTE 11. DEFERRED COMPENSATION

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

Equitable  
Great American Plan Administrator  
Lincoln Financial Advisors

The District also offers an Internal Revenue Code Section 457 plan to its employees through MetLife.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 12. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10.

Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined, agreed-upon schedule.

NOTE 13. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

Encumbrances

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

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 4,529,481	\$ 147,823	\$ 210,340	\$ 4,887,644

On the District's Governmental Funds Balance Sheet as of June 30, 2023, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund. Encumbrances in the Special Revenue Fund of \$147,823 are not recognized on the GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue. On the GAAP basis, the year-end encumbrances of \$210,430 in the Capital Projects Fund are included in the \$220,733 restricted fund balance.

Arbitrage

The District may have a liability for arbitrage payable to the federal government relative to its school bond issues. The amount of liability at June 30, 2023, if any, is unknown.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 14. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Randolph Township Board of Education 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 State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes, or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-5.1(d)7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2022		\$ 9,090,364
Add:		
Interest Earnings	\$ 69,880	
Return of Unexpended Funds From Completed Project	1,910,060	
Deposits:		
Transfer by Board Resolution - June 2023	<u>5,104,191</u>	
		<u>7,084,131</u>
		16,174,495
Less:		
Budgeted Withdrawal from Capital Reserve		<u>3,500,000</u>
Ending balance, June 30, 2023		<u><u>\$ 12,674,495</u></u>

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects exceeded the balance in the capital reserve account. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 15. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 15. MAINTENANCE RESERVE ACCOUNT (Cont'd)

Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget. 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		\$	877,773
Deposits:			
Return of Unexpended Funds		\$	12,780
Transfer by Board Resolution June 2023			<u>1,000,000</u>
			<u>1,012,780</u>
			1,890,553
Withdrawals:			
Board resolution			<u>528,158</u>
Ending balance, June 30, 2023			<u><u>\$ 1,362,395</u></u>

NOTE 16. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2023:

	Governmental Funds		District Contribution Subsequent to the Measurement Date	Total Governmental Activities	Business - Type Activities Community School	District Contribution Subsequent to the Measurement Date	Total Business - Type Activities
	General Fund	Special Revenue Fund					
Vendors	\$ 2,905,628	\$ 71,406		\$ 2,977,034	\$ 100,444		\$ 100,444
Payroll Deductions and Withholdings	615,266			615,266			
Due to:							
State of New Jersey		<u>13,764</u>	<u>\$ 1,783,260</u>	<u>1,797,024</u>		<u>\$ 16,740</u>	<u>16,740</u>
	<u>\$ 3,520,894</u>	<u>\$ 85,170</u>	<u>\$ 1,783,260</u>	<u>\$ 5,389,324</u>	<u>\$ 100,444</u>	<u>\$ 16,740</u>	<u>\$ 117,184</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Codification Section P50, in that OPEB contributions and expenses are legally required to be made by and are the sole responsibility of the State of New Jersey, not the District.

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefits for the State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pensions*. The State Health Benefits Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

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

The total nonemployer OPEB liability does not include certain other postemployment benefit obligations that are provided by the local education employers. The reporting of these benefits, is the responsibility of the individual education employers.

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

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

Retirees Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	151,669
Active Plan Members	<u>213,148</u>
Total	<u><u>364,817</u></u>



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

Actuarial Assumptions and Other Inputs

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

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

Mortality Rates

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

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

Health Care Trend Assumptions

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2021	\$ 198,578,866
Changes for Year:	
Service Cost	9,300,834
Interest on the Total OPEB Liability	4,406,829
Difference between Actual and Expected Experience	2,835,441
Changes of Assumptions	(44,608,388)
Gross Benefit Payments by the State	(4,365,095)
Contributions from Members	140,034
Net Changes	(32,290,345)
Balance at June 30, 2022	\$ 166,288,521

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 195,454,664	\$ 166,288,521	\$ 142,913,315

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 137,447,627	\$ 166,288,521	\$ 204,172,787

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

For the fiscal year ended June 30, 2023 the District recognized OPEB expense of \$4,972,828 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 8,633,878
	2018	9.51		8,239,176
	2019	9.29	\$ 1,163,247	
	2020	9.24	27,464,780	
	2021	9.24	152,306	
	2022	9.13		39,722,474
			<u>28,780,333</u>	<u>56,595,528</u>
Differences Between Expected and Actual Experience	2018	9.51		7,788,585
	2019	9.29		13,691,483
	2020	9.24	25,598,253	
	2021	9.24		29,289,740
	2022	9.13	4,090,844	
				<u>29,689,097</u>
Changes in Proportion	N/A	N/A	<u>1,092,370</u>	<u>4,803,631</u>
			<u>\$ 59,561,800</u>	<u>\$ 112,168,967</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB (excluding employer specific amounts for changes in proportion) will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Total
2023	\$ (8,264,612)
2024	(8,264,612)
2025	(8,264,613)
2026	(7,142,697)
2027	(4,084,289)
Thereafter	<u>(12,875,083)</u>
	<u>\$ (48,895,906)</u>

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
District's proportion of the net pension liability	0.1404319814%	0.1404654329%	0.1418270218%	0.1468361399%	0.1476679484%	0.1437599656%	0.1469546727%	0.1488776231%	0.1468458748%	
District's proportionate share of the net pension liability	\$ 26,292,708	\$ 31,531,675	\$ 42,005,096	\$ 34,181,106	\$ 29,075,083	\$ 25,903,365	\$ 23,964,464	\$ 17,636,786	\$ 22,161,064	
District's covered employee payroll	\$ 9,395,315	\$ 9,621,273	\$ 9,755,434	\$ 10,029,828	\$ 10,038,251	\$ 10,361,586	\$ 10,762,698	\$ 10,790,660	\$ 10,743,320	
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	279.85%	327.73%	430.58%	340.79%	289.64%	249.99%	222.66%	163.44%	206.28%	
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Contractually required contribution	\$ 1,157,701	\$ 1,207,626	\$ 1,268,407	\$ 1,360,280	\$ 1,477,298	\$ 1,406,013	\$ 1,607,612	\$ 1,743,530	\$ 1,851,797	
Contributions in relation to the contractually required contribution	(1,157,701)	(1,207,626)	(1,268,407)	(1,360,280)	(1,477,298)	(1,406,013)	(1,607,612)	(1,743,530)	(1,851,797)	
Contribution deficiency(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	
District's covered employee payroll	\$ 9,621,273	\$ 9,755,434	\$ 10,029,828	\$ 10,038,251	\$ 10,361,586	\$ 10,762,698	\$ 10,790,660	\$ 10,743,320	\$ 10,027,178	
Contributions as a percentage of covered employee payroll	12.03%	12.38%	12.65%	13.55%	14.26%	13.06%	14.90%	16.23%	18.47%	

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
 SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT  
 TEACHERS' PENSION AND ANNUITY FUND  
 LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
State's proportion of the net pension liability attributable to the District	0.3571898561%	0.3603868100%	0.3560703151%	0.3459566128%	0.3602435316%	0.3579023285%	0.3499861202%	0.3588547182%	0.3428717987%
State's proportionate share of the net pension liability attributable to the District	\$ 190,906,353	\$ 227,779,854	\$ 280,107,581	\$ 233,256,423	\$ 229,179,197	\$ 219,648,037	\$ 230,461,649	\$ 172,520,083	\$ 176,902,702
District's covered employee payroll	\$ 35,964,098	\$ 36,242,645	\$ 36,585,109	\$ 37,795,723	\$ 37,120,829	\$ 38,910,697	\$ 38,854,651	\$ 38,359,387	\$ 38,923,373
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	530.82%	628.49%	765.63%	617.15%	617.39%	564.49%	593.14%	449.75%	454.49%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%

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



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 10,272,554	\$ 13,908,011	\$ 21,046,187	\$ 16,158,824	\$ 13,360,346	\$ 12,955,428	\$ 14,331,087	\$ 4,059,473	\$ 4,760,946
Contributions in relation to the contractually required contribution	(1,948,383)	(2,850,837)	(3,755,269)	(5,305,116)	(7,039,074)	(7,676,536)	(10,431,472)	(14,114,853)	(13,678,225)
Contribution deficiency/(excess)	\$ 8,324,171	\$ 11,057,174	\$ 17,290,918	\$ 10,853,708	\$ 6,321,272	\$ 5,278,892	\$ 3,899,615	\$ (10,055,380)	\$ (8,917,279)
District's covered employee payroll	\$ 36,242,645	\$ 36,585,109	\$ 37,795,723	\$ 37,120,829	\$ 38,910,697	\$ 38,854,651	\$ 38,359,387	\$ 38,923,373	\$ 38,785,265
Contributions as a percentage of covered employee payroll	5.38%	7.79%	9.94%	14.29%	18.09%	19.76%	27.19%	36.26% #	35.27%

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S TOTAL OPEB LIABILITY AND RELATED RATIOS  
LAST SIX FISCAL YEARS

	Fiscal Year Ending					
	2017	2018	2019	2020	2021	2022
Service Cost	\$ 7,586,335	\$ 6,302,924	\$ 5,647,239	\$ 6,044,219	\$ 10,781,158	\$ 9,300,834
Interest Cost	5,682,672	6,582,167	6,180,309	5,059,764	5,151,345	4,406,829
Change in Benefit Terms					(211,363)	
Changes in Assumptions	(23,503,801)	(17,915,787)	2,093,575	41,319,541	195,913	(44,608,388)
Differences between Expected and Actual Experience		(14,370,840)	(25,447,306)	37,184,895	(39,615,206)	2,835,441
Member Contributions	153,139	144,282	127,768	119,361	131,695	140,034
Gross Benefit Payments	(4,158,851)	(4,174,648)	(4,310,272)	(3,938,010)	(4,057,817)	(4,365,095)
Net Change in Total OPEB Liability	(14,240,506)	(23,431,902)	(15,708,687)	85,789,770	(27,624,275)	(32,290,345)
Total OPEB Liability - Beginning	193,794,466	179,553,960	156,122,058	140,413,371	226,203,141	198,578,866
Total OPEB Liability - Ending	\$ 179,553,960	\$ 156,122,058	\$ 140,413,371	\$ 226,203,141	\$ 198,578,866	\$ 166,288,521
District's Covered Employee Payroll *	\$ 46,340,543	\$ 47,825,551	\$ 47,159,080	\$ 49,272,283	\$ 49,272,283	\$ 49,617,349
Total OPEB Liability as a Percentage of Covered Employee Payroll	387%	326%	298%	459%	403%	335%

\* - Covered payroll for the fiscal years ending June 30, 2017 to 2022 are based on the payroll on the June 30, 2016 to 2021 census data.

Note: This schedule does not contain ten years of information as GASB No. 75 was implemented during the fiscal year ended June 30, 2018.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 6.55% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 2.00%-6.00% through 2026 and 3.00-7.00% thereafter based on years of service.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 1.55%-4.45% through 2026 and 2.75%-5.65% thereafter based on years of service.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2022 was 3.54%. The discount rate for June 30, 2021 was 2.16%, a change of 1.38%.

The salary increases for TPAF/ABP thereafter were 1.55% - 4.45% through 2026 and 2.75% - 5.65% for thereafter in the valuation as of June 30, 2021. The salary increases for TPAF/ABP were 2.75% - 4.25% in the valuation as of June 30, 2022.

The salary increases for PERS were 2.00% - 6.00% through 2026 and 3.00% - 7.00% for thereafter in the valuation as of June 30, 2021. The salary increases for PERS were 2.75% - 6.55% in the valuation as of June 30, 2022.

The salary increases for PFRS were 3.25% - 15.25% through 2026 and not applicable for thereafter in the valuation as of June 30, 2021. The salary increases for PFRS were 3.25% - 16.25% in the valuation as of June 30, 2022.

The health care trend rates in the valuation as of June 30, 2022 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.25% and decreases to a 4.50% long term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increasing to 13.44% in fiscal year 2026 and decreases to 4.5% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increasing to 15.19% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 8.00% and decreases to a 4.50% long term rate after eight years.

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

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal years 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years.

**BUDGETARY COMPARISON SCHEDULES**

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Exhibit C-1  
1 of 13

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 80,203,073		\$ 80,203,073	\$ 80,203,073	
Tuition From Individuals	180,000		180,000	242,456	\$ 62,456
Tuition From Other LEAs Within the State	685,000		685,000	1,167,580	482,580
Transportation Fees From Other LEAs	20,000		20,000	77,610	57,610
Rents and Royalties	40,000		40,000	108,272	68,272
Unrestricted Miscellaneous Revenues	190,000		190,000	478,277	288,277
Interest Earned on Capital Reserve Funds				69,880	69,880
Total Revenues from Local Sources	<u>81,318,073</u>		<u>81,318,073</u>	<u>82,347,148</u>	<u>1,029,075</u>
Revenues from State Sources:					
Categorical Transportation Aid	1,249,097		1,249,097	1,249,097	
Extraordinary Aid	1,250,000		1,250,000	2,170,312	920,312
Categorical Special Education Aid	3,234,926		3,234,926	3,234,926	
Equalization Aid	2,991,503		2,991,503	2,991,503	
Categorical Security Aid	103,893		103,893	103,893	
Supplemental Stabilization Aid				410,721	410,721
Other State Aids - Non-Public Transportation Aid				75,506	75,506
Lead Water Testing Reimbursement				13,963	13,963
TPAF Post Retirement Contributions (Non-Budgeted)				3,643,089	3,643,089
TPAF Pension Contributions (Non-Budgeted)				13,678,225	13,678,225
TPAF Non-Contributory Insurance (Non-Budgeted)				189,770	189,770
TPAF Long-Term Disability Insurance (Non-Budgeted)				5,861	5,861
Reimbursed TPAF Social Security Contributions				2,818,798	2,818,798
Total Revenues from State Sources	<u>8,829,419</u>		<u>8,829,419</u>	<u>30,585,664</u>	<u>21,756,245</u>
Revenues from Federal Sources:					
Medicaid Reimbursement	42,035		42,035	99,319	57,284
Family First Coronavirus Response Act				4,271	4,271
Total Revenues from Federal Sources	<u>42,035</u>		<u>42,035</u>	<u>103,590</u>	<u>61,555</u>
TOTAL REVENUE	<u>90,189,527</u>		<u>90,189,527</u>	<u>113,036,402</u>	<u>22,846,875</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 937,600	\$ (44,828)	\$ 892,772	\$ 887,508	\$ 5,264
Grades 1-5 - Salaries of Teachers	9,478,136	34,105	9,512,241	9,509,804	2,437
Grades 6-8 - Salaries of Teachers	5,741,401	153,961	5,895,362	5,852,039	43,323
Grades 9-12 - Salaries of Teachers	9,310,501	(380,320)	8,930,181	8,893,555	36,626
Regular Programs - Home Instruction:					
Salaries of Teachers	62,500	(27,800)	34,700	32,676	2,024
Purchased Professional-Educational Services	41,848	54,617	96,465	54,826	41,639
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	496,027	242,796	738,823	638,125	100,698
Purchased Professional-Educational Services	261,085	16,363	277,448	249,311	28,137
Purchased Technical Services	28,400	(1,283)	27,117	14,413	12,704
Other Purchased Services (400-500 series)	500		500	500	
General Supplies	2,353,384	(44,975)	2,308,409	2,206,825	101,584
Textbooks	100,308	1,804	102,112	68,749	33,363
Other Objects	16,520	1,397	17,917	16,416	1,501
<b>Total Regular Programs - Instruction</b>	<b>28,828,210</b>	<b>5,837</b>	<b>28,834,047</b>	<b>28,424,247</b>	<b>409,800</b>
Special Education - Instruction:					
Learning and/or Language Disabilities - Mild to Moderate:					
Salaries of Teachers	1,018,693	(66,110)	952,583	927,694	24,889
Other Salaries for Instruction	241,979	(50,847)	191,132	170,081	21,051
General Supplies	14,944	(4,000)	10,944	8,538	2,406
<b>Total Learning and/or Language Disabilities</b>	<b>1,275,616</b>	<b>(120,957)</b>	<b>1,154,659</b>	<b>1,106,313</b>	<b>48,346</b>
Auditory Impairments:					
General Supplies	5,750	500	6,250	3,505	2,745
Total Auditory Impairments	<b>5,750</b>	<b>500</b>	<b>6,250</b>	<b>3,505</b>	<b>2,745</b>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Multiple Disabilities:					
Salaries of Teachers	\$ 77,079	\$ 182,654	\$ 182,654	\$ 146,312	\$ 36,342
Other Salaries for Instruction	2,872	(40,786)	36,293	27,555	8,738
General Supplies			2,872	1,528	1,344
Total Multiple Disabilities	<u>79,951</u>	<u>141,868</u>	<u>221,819</u>	<u>175,395</u>	<u>46,424</u>
Resource Room/Resource Center:					
Salaries of Teachers	5,174,135	(252,369)	4,921,766	4,618,210	303,556
Other Salaries for Instruction	1,110,395	149,841	1,260,236	1,252,753	7,483
General Supplies	60,000	(34,008)	25,992	17,794	8,198
Total Resource Room/Resource Center	<u>6,344,530</u>	<u>(136,536)</u>	<u>6,207,994</u>	<u>5,888,757</u>	<u>319,237</u>
Autism:					
Salaries of Teachers	239,608	74,358	313,966	233,232	80,734
Total Autism	<u>239,608</u>	<u>74,358</u>	<u>313,966</u>	<u>233,232</u>	<u>80,734</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	326,677	2,200	328,877	314,761	14,116
Other Salaries for Instruction	231,793	2,517	234,310	188,024	46,286
General Supplies	12,000		12,000	9,092	2,908
Total Preschool Disabilities - Full-Time	<u>570,470</u>	<u>4,717</u>	<u>575,187</u>	<u>511,877</u>	<u>63,310</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>8,515,925</u>	<u>(36,050)</u>	<u>8,479,875</u>	<u>7,919,079</u>	<u>560,796</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	181,950	(5,624)	176,326	162,363	13,963
General Supplies	1,050	(73)	977	862	115
Total Basic Skills/Remedial - Instruction	<u>183,000</u>	<u>(5,697)</u>	<u>177,303</u>	<u>163,225</u>	<u>14,078</u>



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Exhibit C-1  
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 337,422	\$ 8,950	\$ 346,372	\$ 346,207	\$ 165
Other Purchased Services (400-500 series)	1,000		1,000	142	858
General Supplies	4,000		4,000	3,877	123
Textbooks	3,000	(1,367)	1,633		1,633
Total Bilingual Education - Instruction	<u>345,422</u>	<u>7,583</u>	<u>353,005</u>	<u>350,226</u>	<u>2,779</u>
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	379,783		379,783	368,826	10,957
Purchased Services (300-500 series)	13,049	2,048	15,097	13,235	1,862
Supplies and Materials	25,116	460	25,576	18,239	7,337
Other Objects	23,000	(1,270)	21,730	20,999	731
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	<u>440,948</u>	<u>1,238</u>	<u>442,186</u>	<u>421,299</u>	<u>20,887</u>
School-Sponsored Athletics - Instruction:					
Salaries	915,589	40,387	955,976	955,974	2
Purchased Services (300-500 series)	135,917	(22,053)	113,864	91,398	22,466
Supplies and Materials	75,285	(10,270)	65,015	62,612	2,403
Other Objects	66,000	17,330	83,330	81,441	1,889
Total School-Sponsored Athletics - Instruction	<u>1,192,791</u>	<u>25,394</u>	<u>1,218,185</u>	<u>1,191,425</u>	<u>26,760</u>
Summer School - Instruction:					
Salaries of Teachers	83,093	26,197	109,290	92,961	16,329
Other Salaries of Instruction	53,378	2,000	55,378	46,719	8,659
General Supplies	500		500		500
Total Summer School - Instruction	<u>136,971</u>	<u>28,197</u>	<u>165,168</u>	<u>139,680</u>	<u>25,488</u>
Summer School - Support Services:					
Salaries	30,961	10,429	41,390	31,337	10,053
Total Summer School - Support Svcs	<u>30,961</u>	<u>10,429</u>	<u>41,390</u>	<u>31,337</u>	<u>10,053</u>
Total Summer School	<u>167,932</u>	<u>38,626</u>	<u>206,558</u>	<u>171,017</u>	<u>35,541</u>
TOTAL INSTRUCTION	<u>39,674,228</u>	<u>36,931</u>	<u>39,711,159</u>	<u>38,640,518</u>	<u>1,070,641</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Exhibit C-1  
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	\$ 24,657	\$ (24,657)			
Tuition to County Voc. School Dist.-Regular	628,000	13,784	\$ 641,784	\$ 589,384	\$ 52,400
Tuition to County Voc. School Dist.-Special	14,000	(14,000)		741,991	83,775
Tuition to Priv. Sch. for the Handicap. W/I State	1,077,912	(252,146)	825,766	67,326	19,290
Tuition to Priv Sch Handicap & Oth LEAs-Spl,O/S St	86,616		62,400	62,400	
Tuition - Other		62,400			
Total Undistributed Expenditures - Instruction	<u>1,831,185</u>	<u>(214,619)</u>	<u>1,616,566</u>	<u>1,461,101</u>	<u>155,465</u>
Undistributed Expenditures - Health Services:					
Salaries	853,795	(56,084)	797,711	794,194	3,517
Purchased Professional and Technical Services	21,249	(3,880)	17,369	12,073	5,296
Other Purchased Services (400-500 series)	1,000		1,000	325	675
Supplies and Materials	32,637	(1,458)	31,179	29,326	1,853
Other Objects	510		510	510	
Total Undist. Expenditures - Health Services	<u>909,191</u>	<u>(61,422)</u>	<u>847,769</u>	<u>836,428</u>	<u>11,341</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	1,010,667	25,452	1,036,119	1,030,692	5,427
Purchased Professional - Educational Services	681,750	105,257	787,007	787,007	
Supplies and Materials	15,000	(11,482)	3,518	3,298	220
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>1,707,417</u>	<u>119,227</u>	<u>1,826,644</u>	<u>1,820,997</u>	<u>5,647</u>
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	1,133,331	(124,775)	1,008,556	923,797	84,759
Purchased Professional - Educational Services	378,186	126,407	504,593	481,078	23,515
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	<u>1,511,517</u>	<u>1,632</u>	<u>1,513,149</u>	<u>1,404,875</u>	<u>108,274</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Guidance:					
Salaries of Other Professional Staff	\$ 1,259,295	\$ (99,016)	\$ 1,160,279	\$ 1,157,491	\$ 2,788
Salaries of Secretarial and Clerical Assistants	116,229	16,608	132,837	132,836	1
Purchased Professional - Educational Services	2,000		2,000		2,000
Other Purchased Prof. and Tech. Services	13,142	(2,283)	10,859	2,061	8,798
Other Purchased Services (400-500 series)	4,750		4,750	2,105	2,645
Supplies and Materials	4,169	(749)	3,420	3,112	308
Other Objects	9,630		9,630	2,846	6,784
Total Undist Expend. - Guidance	<u>1,409,215</u>	<u>(85,440)</u>	<u>1,323,775</u>	<u>1,300,451</u>	<u>23,324</u>
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	2,051,012	(210,939)	1,840,073	1,833,975	6,098
Salaries of Secretarial and Clerical Assistants	212,674	57	212,731	212,146	585
Unused Vacation Payment to Terminated/Retired Staff		14,658	14,658	14,657	1
Purchased Professional - Educational Services	571,550	15,676	587,226	549,082	38,144
Other Purchased Prof. and Tech. Services	5,000		5,000	241	4,759
Other Purchased Services (400-500 series)	10,031		10,031	5,991	4,040
Supplies and Materials	30,000	(14,250)	15,750	14,793	957
Other Objects	1,000		1,000		1,000
Total Undist Expend. - Child Study Team	<u>2,881,267</u>	<u>(194,798)</u>	<u>2,686,469</u>	<u>2,630,885</u>	<u>55,584</u>
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	1,286,847	(150,985)	1,135,862	1,038,304	97,558
Salaries of Other Professional Staff	109,962		109,962	107,573	2,389
Salaries of Secretarial and Clerical Assistants	87,557	2,352	89,909	74,818	15,091
Unused Vacation Payment to Terminated/Retired Staff		63,973	63,973	63,972	1
Purchased Professional - Educational Services	91,800	(36,785)	55,015	51,935	3,080
Other Purchased Services (400-500 series)	31,080	(9,431)	21,649	8,354	13,295
Supplies and Materials	44,600	(2,896)	41,704	38,879	2,825
Other Objects	925	1,959	2,884	1,383	1,501
Total Undist. Expend.-Improv. of Inst. Serv.	<u>1,652,771</u>	<u>(131,813)</u>	<u>1,520,958</u>	<u>1,385,218</u>	<u>135,740</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	\$ 296,282	\$ (11,837)	\$ 284,445	\$ 284,443	\$ 2
Purchased Professional and Technical Services	96,236	44,096	140,332	139,597	735
Supplies and Materials	30,012	(6,731)	23,281	17,472	5,809
Other Objects	5,000	(2,500)	2,500	910	1,590
Total Undist Expend-Edu. Media Serv./Sch. Library	<u>427,530</u>	<u>23,028</u>	<u>450,558</u>	<u>442,422</u>	<u>8,136</u>
Undist.Expend.-Instructional Staff Training Services:					
Purchased Professional - Educational Service	116,214	(47,790)	68,424	8,943	59,481
Other Purchased Services (400-500 series)	55,023	(2,800)	52,223	23,013	29,210
Total Undist.Expend.-Instructional Staff Training Services	<u>171,237</u>	<u>(50,590)</u>	<u>120,647</u>	<u>31,956</u>	<u>88,691</u>
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	430,198	198	430,396	430,396	
Unused Vacation Payment to Terminated/Retired Staff		16,000	16,000	15,043	957
Legal Services	362,406	(24,815)	337,591	207,986	129,605
Audit Fees	107,645		107,645	40,130	67,515
Other Purchased Professional Services	210,820	122,851	333,671	184,775	148,896
Purchased Technical Services	6,000	31,120	37,120	35,802	1,318
Communications / Telephone	12,814	245,636	258,450	246,509	11,941
Other Purch. Serv. (400-500 series other than 530 & 585)	391,463	65,124	456,587	377,514	79,073
General Supplies	31,270	(2,603)	28,667	16,911	11,756
Judgments Against The School District	75,000	(12,000)	63,000	36,667	26,333
Miscellaneous Expenditures	14,082	5,109	19,191	16,949	2,242
BOE Membership Dues and Fees	27,000		27,000	26,663	337
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>1,668,698</u>	<u>446,620</u>	<u>2,115,318</u>	<u>1,635,345</u>	<u>479,973</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 1,951,888	\$ 24,002	\$ 1,975,890	\$ 1,972,763	\$ 3,127
Salaries of Secretarial and Clerical Assistants	957,053	(14,593)	942,460	931,325	11,135
Unused Vacation Payment to Terminated/Retired Staff		12,519	12,519	12,518	1
Purchased Professional and Technical Services	2,939	10,759	13,698	13,648	50
Other Purchased Services (400-500 series)	36,266	(5,971)	30,295	19,061	11,234
Supplies and Materials	45,745	8,374	54,119	51,642	2,477
Other Objects	14,054	2,887	16,941	13,111	3,830
Total Undist. Expend.-Support Serv.-School Adm.	<u>3,007,945</u>	<u>37,977</u>	<u>3,045,922</u>	<u>3,014,068</u>	<u>31,854</u>
Undist. Expend. - Central Services:					
Salaries	1,009,779	(2,132)	1,007,647	1,006,735	912
Unused Vacation Payment to Terminated/Retired Staff		30,872	30,872	30,871	1
Purchased Technical Services	51,337	123,508	174,845	47,472	127,373
Miscellaneous Purchased Services (400-500 series other than 594)	17,430		17,430	7,380	10,050
Supplies and Materials	14,500	6,515	21,015	18,884	2,131
Other Objects	30,380	69,776	100,156	27,634	72,522
Total Undist. Expend. - Central Services	<u>1,123,426</u>	<u>228,539</u>	<u>1,351,965</u>	<u>1,138,976</u>	<u>212,989</u>
Undist. Expend. - Admin. Info. Technology:					
Salaries	1,157,750	1,764	1,159,514	1,159,514	
Unused Vacation Payment to Terminated/Retired Staff		42,970	42,970	42,970	
Purchased Professional Services	845,222	126,690	971,912	751,765	220,147
Purchased Technical Services	25,000	3,187	28,187	28,187	
Other Purchased Services (400-500 series)	584,425	(320,352)	264,073	255,309	8,764.00
Supplies and Materials	207,569	20,825	228,394	218,974	9,420
Other Objects	1,000		1,000	789	211
Total Undist. Expend. - Admin. Info. Technology	<u>2,820,966</u>	<u>(124,916)</u>	<u>2,696,050</u>	<u>2,457,508</u>	<u>238,542</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	\$ 612,431	\$ (22,403)	\$ 590,028	\$ 576,650	\$ 13,378
Unused Vacation Payment to Terminated/Retired Staff	833,378	11,050	11,050	11,050	
Cleaning, Repair, and Maintenance Services	247,161	(211,866)	621,512	478,094	143,418
General Supplies	3,500	267,311	514,472	476,739	37,733
Other Objects	1,696,470	4,254	7,754	6,324	1,430
Total Undist. Expend. - Required Maint. for School Facilities		48,346	1,744,816	1,548,857	195,959
Undist. Expend.-Custodial Services:					
Salaries	2,652,493	(377,944)	2,274,549	2,265,006	9,543
Unused Vacation Payment to Terminated/Retired Staff		31,625	31,625	31,625	
Purchased Professional and Technical Services	29,000	29,000	29,000	19,145	9,855
Cleaning, Repair, and Maintenance Services	247,094	338,137	585,231	555,861	29,370
Rental of Land & Bldg. Oth. than Lease Pur. Agrmt.	85,000		85,000	76,136	8,864
Other Purchased Property Services	243,519	(36,508)	207,011	92,335	114,676
Insurance	719,922		719,922	719,072	850
General Supplies	253,515	28,515	282,030	251,679	30,351
Energy (Natural Gas)	513,113	215,654	728,767	605,355	123,412
Energy (Electricity)	743,045	341,501	1,084,546	799,093	285,453
Energy (Oil)	800		800		800
Energy (Gasoline)	30,000	(30,000)			
Total Undist. Expend.-Custodial Services	5,517,501	510,980	6,028,481	5,415,307	613,174
Care and Upkeep of Grounds:					
Salaries	567,914	18,894	586,808	586,805	3
Cleaning, Repair, and Maintenance Services	112,000	(52,100)	59,900	50,626	9,274
General Supplies	76,500	59,373	135,873	119,878	15,995
Total Care And Upkeep Of Grounds	756,414	26,167	782,581	757,309	25,272

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Exhibit C-1  
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Security:					
Salaries	\$ 398,175	\$ (16,867)	\$ 381,308	\$ 380,946	\$ 362
Purchased Professional and Technical Services	7,000	2,305	9,305	8,630	675
General Supplies	26,338	(5,292)	21,046	13,940	7,106
Total Security	<u>431,513</u>	<u>(19,854)</u>	<u>411,659</u>	<u>403,516</u>	<u>8,143</u>
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	<u>8,401,898</u>	<u>565,639</u>	<u>8,967,537</u>	<u>8,124,989</u>	<u>842,548</u>
Undist. Expend.-Student Transportation Serv.:					
Sal. for Pupil Trans. (Bet. Home and Sch.)-Reg.	2,092,891	(292,118)	1,800,773	1,799,124	1,649
Sal. for Pupil Trans. (Oth. than Bet. Home & Sch)	259,813	142,302	402,115	400,314	1,801
Unused Vacation Payment to Terminated/Retired Staff		13,690	13,690	13,689	1
Other Purchased Professional and Technical Services	18,022	(7,667)	10,355	8,978	1,377
Cleaning, Repair, and Maint. Services	1,000	29,108	30,108	30,108	
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	175,000	(4,569)	170,431	170,431	
Contract. Serv.(Bet. Home & Sch.)-Joint Agrmnts.	1,248,000	38,543	1,286,543	1,286,543	
Contract. Serv.(Reg. Students)-ESCs & CTSA	190,244	18,920	209,164	208,664	500
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSA	1,500	(1,004)	496	496	
General Supplies	7,100	(1,146)	5,954	5,853	101
Transportation Supplies	340,031	22,106	362,137	345,271	16,866
Other Objects	10,769	5,803	16,572	16,570	2
Total Undist. Expend.-Student Trans. Serv.	<u>4,344,370</u>	<u>(36,032)</u>	<u>4,308,338</u>	<u>4,286,041</u>	<u>22,297</u>
UNALLOCATED BENEFITS					
Social Security Contributions	1,557,226	(200,000)	1,357,226	1,260,826	96,400
Other Retirement Contributions - PERS	1,800,000	52,313	1,852,313	1,851,797	516.00
Other Retirement Contributions - Regular	278,547	(475)	278,547	222,889	55,658
Unemployment Compensation	213,533	(50,000)	213,058	184,937	28,121
Workers Compensation	462,889	(7,000)	412,889	344,885	68,004
Health Benefits	12,431,602	(7,000)	12,424,602	12,268,860	155,742
Tuition Reimbursement	212,317	(15,700)	196,617	53,971	142,646
Other Employee Benefits	850,513	102,386	952,899	886,815	66,084
Unused Sick Payment to Terminated/Retired Staff	120,000	(100,300)	19,700	3,308	16,392
TOTAL UNALLOCATED BENEFITS	<u>17,926,627</u>	<u>(218,776)</u>	<u>17,707,851</u>	<u>17,078,288</u>	<u>629,563</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Exhibit C-1  
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>					
TPAF Post Retirement Contributions (Non-Budgeted)			\$	3,643,089	\$ (3,643,089)
TPAF Pension Contributions (Non-Budgeted)				13,678,225	(13,678,225)
TPAF Non-Contributory Insurance (Non-Budgeted)				189,770	(189,770)
TPAF Long-Term Disability Insurance (Non-Budgeted)				5,861	(5,861)
Reimbursed TPAF Social Security Contributions				2,818,798	(2,818,798)
<b>TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>				<u>20,335,743</u>	<u>(20,335,743)</u>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	\$ 17,926,627	\$ (218,776)	\$ 17,707,851	37,414,031	(19,706,180)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<u>51,795,260</u>	<u>304,256</u>	<u>52,099,516</u>	<u>69,385,291</u>	<u>(17,285,775)</u>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<u>91,469,488</u>	<u>341,187</u>	<u>91,810,675</u>	<u>108,025,809</u>	<u>(16,215,134)</u>
<b>CAPITAL OUTLAY</b>					
Undistributed:					
Undistributed Expenditures - Instruction		51,156	51,156	20,033	31,123
Undist. Expend. - Supp Serv. - Related & Extraord.		9,333	9,333	9,333	
Undistributed Expenditures - Admin. Info. Tech.	5,000	22,640	27,640	27,640	
Undist. Expend. - Required Maint for School Fac.	88,532	47,398	135,930	135,930	
Undist. Expend. - Security	13,541	2,792	16,333	16,333	
School Buses - Regular	553,786		553,786	553,782	4
Total Equipment	<u>660,859</u>	<u>133,319</u>	<u>794,178</u>	<u>763,051</u>	<u>31,127</u>
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services	438,030		438,030	312,104	125,926
Construction Services	8,718,145		8,718,145	3,401,088	5,317,057
Assessment for Debt Service on SDA Funding	64,340		64,340	64,340	
Total Facilities Acquisition and Const. Serv.	<u>9,220,515</u>		<u>9,220,515</u>	<u>3,777,532</u>	<u>5,442,983</u>



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Exhibit C-1  
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	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Regular Programs - Equipment				\$ 1,435,190	\$ (1,435,190)
Required Maintenance for School Facilities				362,488	(362,488)
Transportation - School Buses				166,072	(166,072)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				<u>1,963,750</u>	<u>(1,963,750)</u>
TOTAL CAPITAL OUTLAY	\$ 9,881,374	\$ 133,319	\$ 10,014,693	<u>6,504,333</u>	<u>3,510,360</u>
Transfer of Funds to Charter Schools	149,318	53,652	202,970	202,970	
Total Transfer of Funds to Charter Schools	<u>149,318</u>	<u>53,652</u>	<u>202,970</u>	<u>202,970</u>	
TOTAL EXPENDITURES	101,500,180	528,158	102,028,338	114,733,112	(12,704,774)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(11,310,653)	(528,158)	(11,838,811)	(1,696,710)	10,142,101
Other Financing Sources/(Uses):					
Financed Purchases (Non-budgeted)				1,963,750	1,963,750
Total Other Financing Sources/(Uses)				<u>1,963,750</u>	<u>1,963,750</u>
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(11,310,653)	(528,158)	(11,838,811)	267,040	12,105,851
Fund Balance, July 1	22,719,542		22,719,542	22,719,542	
Fund Balance, June 30	<u>\$ 11,408,889</u>	<u>\$ (528,158)</u>	<u>\$ 10,880,731</u>	<u>\$ 22,986,582</u>	<u>\$ 12,105,851</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<u>Recapitulation:</u>					
<u>Restricted Fund Balance:</u>					
Capital Reserve				\$ 12,674,495	
Maintenance Reserve				1,362,395	
Assigned Fund Balance:					
Year End Encumbrances				4,529,481	
Designated for Subsequent Year's Expenditures				1,165,000	
Unassigned Fund Balance				3,255,211	
				<u>22,986,582</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				<u>(744,907)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 22,241,675</u>	

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenue:					
State Sources	\$ 333,634		\$ 333,634	\$ 319,870	\$ (13,764)
Federal Sources	2,634,343	\$ (313,853)	2,320,490	1,697,824	(622,666)
Local Sources	242,232	631,079	873,311	684,942	(188,369)
Total Revenue	3,210,209	317,226	3,527,435	2,702,636	(824,799)
Expenditures:					
Instruction:					
Salaries of Teachers	340,439	9,435	349,874	193,278	156,596
Other Purchased Services	893,927	(10,588)	883,339	883,339	
General Supplies	247,932	(3,450)	244,482	50,413	194,069
Textbooks	8,316		8,316	8,055	261
Total Instruction	1,490,614	(4,603)	1,486,011	1,135,085	350,926
Support Services:					
Purchased Professional and Educational Services	789,432	40,500	829,932	506,745	323,187
Purchased Professional and Technical Services	199,613		199,613	129,373	70,240
Personal Services - Employee Benefits	131,055	276	131,331	118,217	13,114
Other Purchased Professional Services	58,242	(40,500)	17,742	9,433	8,309
Supplies and Materials	2,440		2,440		2,440
Student Activities		554,225	554,225	554,225	
Scholarships Awarded		4,000	4,000	4,000	
Total Support Services	1,180,782	558,501	1,739,283	1,321,993	417,290
Facilities Acquisition:					
Non Instructional Equipment	538,813	(312,976)	225,837	169,254	56,583
Total Facilities Acquisition	538,813	(312,976)	225,837	169,254	56,583
Total Expenditures	3,210,209	240,922	3,451,131	2,626,332	824,799
Excess (Deficiency) of Revenue Over/(Under) Expenditures	\$ -0-	\$ 76,304	\$ 76,304	\$ 76,304	\$ -0-

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 113,036,402	\$ 2,702,636
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		386,577
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	889,633	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(744,907)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 113,181,128	\$ 3,089,213
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 114,733,112	\$ 2,626,332
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		386,577
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 114,733,112	\$ 3,012,909

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote by the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments and transfers must be made by school Board resolution. All budgeting amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

**SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)**

**SPECIAL REVENUE FUND**

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Elementary and Secondary Education Act		IDEA Part B, Basic	IDEA Part B, Preschool	Local Recreation Improvement
	Title I	Title II A	Title III		
<b>REVENUE:</b>					
State Sources					
Federal Sources	\$ 116,747	\$ 76,070	\$ 19,735	\$ 49,753	\$ 65,000
Local Sources					
<b>Total Revenue</b>	<u>116,747</u>	<u>76,070</u>	<u>19,735</u>	<u>49,753</u>	<u>65,000</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	79,886		14,254	46,217	
Other Purchased Services			41,146		
General Supplies			882,671		
Textbooks					
<b>Total Instruction</b>	<u>79,886</u>		<u>14,254</u>	<u>46,217</u>	
Support Services:					
Purchased Professional/Educational Services					
Purchased Professional/Technical Services		2,039	161	55,616	
Purchased Technical Services					
Personal Services - Employee Benefits	36,861	74,031	991	3,536	
Other Purchased Professional Services			4,329		
Student Activities					
Scholarships Awarded					
<b>Total Support Services</b>	<u>36,861</u>	<u>76,070</u>	<u>5,481</u>	<u>3,536</u>	
Facilities Acquisition:					
Non Instructional Equipment					65,000
<b>Total Facilities Acquisition</b>					<u>65,000</u>
<b>Total Expenditures</b>	<u>\$ 116,747</u>	<u>\$ 76,070</u>	<u>\$ 19,735</u>	<u>\$ 49,753</u>	<u>\$ 65,000</u>



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Education Stabilization Aid					
	COVID 19 - CRRSA		COVID 19 - ARP			
	Learning Acceleration	Mental Health	ESSER III	Accelerated Learning	Summer Learning and Enrichment	Mental Health
REVENUE:						
State Sources						
Federal Sources	\$ 15,203	\$ 42,532	\$ 285,426	\$ 60,300	\$ 40,000	\$ 9,515
Local Sources						
Total Revenue	15,203	42,532	285,426	60,300	40,000	9,515
EXPENDITURES:						
Instruction:						
Salaries of Teachers						
Other Purchased Services	11,775					
General Supplies						
Textbooks						
Total Instruction	11,775					
Support Services:						
Purchased Professional/Educational Services						
Purchased Professional/Technical Services		40,500	285,426	60,300	40,000	9,515
Personal Services - Employee Benefits	356					
Other Purchased Professional Services	3,072	2,032				
Student Activities						
Scholarships Awarded						
Total Support Services	3,428	42,532	285,426	60,300	40,000	9,515
Facilities Acquisition:						
Non Instructional Equipment						
Total Facilities Acquisition						
Total Expenditures	\$ 15,203	\$ 42,532	\$ 285,426	\$ 60,300	\$ 40,000	\$ 9,515

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Non-Public						
	Chapter 192 English as a Second Language	Compensatory Education	Examination/ Classification	Chapter 193 Corrective Speech	Supplemental Instruction	Non-Public Security	Non-Public Nursing
REVENUE:							
State Sources	\$ 501	\$ 46,154	\$ 17,829	\$ 15,810	\$ 17,098	\$ 25,804	\$ 14,112
Federal Sources							
Local Sources							
Total Revenue	501	46,154	17,829	15,810	17,098	25,804	14,112
EXPENDITURES:							
Instruction:							
Salaries of Teachers							
Other Purchased Services							
General Supplies							
Textbooks							
Total Instruction							
Support Services:							
Purchased Professional/Educational Services	501	46,154	17,829	15,810	17,098	25,804	14,112
Purchased Professional/Technical Services							
Personal Services - Employee Benefits							
Other Purchased Professional Services							
Student Activities							
Scholarships Awarded							
Total Support Services	501	46,154	17,829	15,810	17,098	25,804	14,112
Facilities Acquisition:							
Non Instructional Equipment							
Total Facilities Acquisition							
Total Expenditures	\$ 501	\$ 46,154	\$ 17,829	\$ 15,810	\$ 17,098	\$ 25,804	\$ 14,112

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	SDA Emergent and Capital Maintenance Needs	Non-Public Technology	Non-Public Textbook	Various Local Grants	Student Activities	Scholarships	Totals June 30, 2023
REVENUE:							
State Sources	\$ 104,254	\$ 5,253	\$ 8,055				\$ 319,870
Federal Sources				\$ 50,413	\$ 629,414	\$ 5,115	1,697,824
Local Sources							684,942
Total Revenue	104,254	5,253	8,055	50,413	629,414	5,115	2,702,636
EXPENDITURES:							
Instruction:							
Salaries of Teachers							193,278
Other Purchased Services							882,671
General Supplies			8,055	50,413			50,413
Textbooks							8,055
Total Instruction			8,055	50,413			1,134,417
Support Services:							
Purchased Professional/Educational Services							506,745
Purchased Professional/Technical Services		5,253					129,373
Personal Services - Employee Benefits							118,885
Other Purchased Professional Services					554,225		9,433
Student Activities							554,225
Scholarships Awarded						4,000	4,000
Total Support Services		5,253			554,225	4,000	1,322,661
Facilities Acquisition:							
Non Instructional Equipment	104,254						169,254
Total Facilities Acquisition	104,254						169,254
Total Expenditures	\$ 104,254	\$ 5,253	\$ 8,055	\$ 50,413	\$ 554,225	\$ 4,000	\$ 2,626,332

**CAPITAL PROJECTS FUND**

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Expenditures:	
Other Purchased Professional Technical Services	\$ 6,523
Construction Services	298,263
	<hr/>
Total Expenditures	304,786
	<hr/>
(Deficit) of Revenues (Under) Expenditures	(304,786)
Fund Balance - Beginning Balance	525,519
	<hr/>
Fund Balance - Ending Balance	\$ 220,733
	<hr/> <hr/>
<u>Recapitulation of Fund Balance:</u>	
Restricted	\$ 10,393
Restricted - Year End Encumbrances	210,340
	<hr/>
	\$ 220,733
	<hr/> <hr/>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE PROJECT OF REVENUES, EXPENDITURES, PROJECT BALANCES AND PROJECT STATUS -  
BUDGETARY BASIS  
VARIOUS SCHOOL BUILDING IMPROVEMENTS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Total</u>	<u>Authorized Cost</u>
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 24,495,000		\$ 24,495,000	\$ 24,495,000
Total Revenues and Other Financing Sources	<u>24,495,000</u>		<u>24,495,000</u>	<u>24,495,000</u>
Expenditures:				
Other Purchased Professional Technical Services	1,744,474	\$ 6,523	1,750,997	2,029,140
Construction Services	22,225,007	298,263	22,523,270	22,465,860
Total Expenditures	<u>23,969,481</u>	<u>304,786</u>	<u>24,274,267</u>	<u>24,495,000</u>
Excess of Revenue and Other Financing Sources Over Expenditures	<u>\$ 525,519</u>	<u>\$ (304,786)</u>	<u>\$ 220,733</u>	<u>\$ - 0 -</u>

**Additional Project Information:**

Project Number(s)	4330-057-18-1000
Project Number(s)	4330-057-18-2000
Project Number(s)	4330-065-18-2000
Project Number(s)	4330-065-18-3000
Project Number(s)	4330-070-18-2000
Project Number(s)	4330-070-18-1000
Project Number(s)	4330-080-18-1000
Project Number(s)	4330-080-18-2000
Project Number(s)	4330-075-18-1000
Project Number(s)	4330-075-18-3000
Project Number(s)	4330-075-18-2000
Project Number(s)	4330-050-18-4000
Project Number(s)	4330-050-18-4000
Grant Date	N/A
Bond Authorization Date	10/2/2018
Bonds Authorized	\$ 24,495,000
Bonds Issued	\$ 24,495,000
Original Authorized Cost	\$ 24,495,000
% Increase over Original Authorized Cost	0%
% Completion	99%
Original Target Completion Date	August 2021
Revised Target Completion Date	June 2024

**PROPRIETARY FUNDS**

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023

	Major Funds		Total
	Community School	Food Service	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 1,025,658	\$ 769,093	\$ 1,794,751
Accounts Receivable:			
State		1,008	1,008
Federal		22,213	22,213
Other	3,121	9,090	12,211
Inventories		31,294	31,294
Total Current Assets	<u>1,028,779</u>	<u>832,698</u>	<u>1,861,477</u>
Non-Current Assets:			
Machinery and Equipment	506,192	774,418	1,280,610
Less: Accumulated Depreciation	<u>(210,329)</u>	<u>(592,036)</u>	<u>(802,365)</u>
Total Non-Current Assets	<u>295,863</u>	<u>182,382</u>	<u>478,245</u>
Total Assets	<u>1,324,642</u>	<u>1,015,080</u>	<u>2,339,722</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	639		639
Changes in Proportion - Pension	5,375		5,375
Difference Between Expected and Actual Experience - Pension	1,488		1,488
Difference Between Projected and Actual Earnings on Investments - Pension	8,529		8,529
District Contribution Subsequent to the Measurement Date - Pension	<u>16,740</u>		<u>16,740</u>
Total Deferred Outflows of Resources	<u>32,771</u>		<u>32,771</u>



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023

	Major Funds		Total
	Community School	Food Service	
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable	\$ 49,814	\$ 67,370	\$ 117,184
Unearned Revenue:			
Prepaid Meals		52,839	52,839
Supply Chain Assistance		66,874	66,874
Donated Commodities		9,487	9,487
Long-term Liabilities:			
Net Pension Liability	206,098		206,098
Total Liabilities	255,912	196,570	452,482
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Changes in Assumptions - Pension	30,861		30,861
Changes in Proportion - Pension	4,793		4,793
Difference Between Expected and Actual Experience - Pension	1,312		1,312
Total Deferred Inflows of Resources	36,966		36,966
<u>NET POSITION:</u>			
Investment in Capital Assets	295,863	182,382	478,245
Unrestricted	768,672	636,128	1,404,800
Total Net Position	\$ 1,064,535	\$ 818,510	\$ 1,883,045

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Total
	Community School	Food Service	
Operating Revenue			
Local Sources:			
Daily Sales - Reimbursable Programs		\$ 1,028,178	\$ 1,028,178
Daily Sales - Non-Reimbursable Programs		160,816	160,816
Community School - Regular Program Fees	\$ 594,386		594,386
Total Operating Revenue	594,386	1,188,994	1,783,380
Operating Expenses:			
Cost of Sales (Reimbursable) Programs		495,712	495,712
Cost of Sales (Non-Reimbursable) Programs		183,345	183,345
Salaries	341,527	536,653	878,180
Employee Benefits	(596,664)	160,594	(436,070)
Purchased Professional/Technical Services	20,982	18,387	39,369
Other Purchased Services	63,285	339	63,624
Supplies and Materials	72,157	107,952	180,109
Management Fee		66,300	66,300
Miscellaneous	5,583	8,626	14,209
Depreciation	77,373	24,214	101,587
Total Operating Expenses	(15,757)	1,602,122	1,586,365
Operating Income/(Loss)	610,143	(413,128)	197,015
Non-Operating Revenue:			
State Sources:			
State School Lunch Program		17,061	17,061
State School Breakfast Program		505	505
Federal Sources:			
Local Food for Schools Program		2,790	2,790
National School Lunch Program		321,052	321,052
School Breakfast Program		21,086	21,086
Supply Chain Assistance		134,761	134,761
Food Distribution Program		72,429	72,429
Local Sources:			
Interest Income	10,702		10,702
Total Non-Operating Revenue	10,702	569,684	580,386
Change in Net Position	620,845	156,556	777,401
Net Position - Beginning of Year	443,690	661,954	1,105,644
Net Position - End of Year	\$ 1,064,535	\$ 818,510	\$ 1,883,045

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Total
	Community School	Food Service	
Cash flows from operating activities:			
Receipts from customers	\$ 594,386	\$ 1,199,384	\$ 1,793,770
Payments to employees	(395,037)	(697,247)	(1,092,284)
Payments to suppliers	(193,620)	(750,040)	(943,660)
Net cash provided by / (used for) operating activities	<u>5,729</u>	<u>(247,903)</u>	<u>(242,174)</u>
Cash flows from investing activities:			
Interest income	10,702		10,702
Net cash provided by investing activities	<u>10,702</u>		<u>10,702</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(21,546)	(40,635)	(62,181)
Net cash used for capital and related financing activities	<u>(21,546)</u>	<u>(40,635)</u>	<u>(62,181)</u>
Cash flows from noncapital financing activities:			
Cash received from state and federal reimbursements		658,589	658,589
Cash disbursed to General Fund		(35,563)	(35,563)
Net cash provided by noncapital financing activities		<u>623,026</u>	<u>623,026</u>
Net increase / (decrease) in cash and cash equivalents	(5,115)	334,488	329,373
Cash and cash equivalents, July 1	<u>1,030,773</u>	<u>434,605</u>	<u>1,169,086</u>
Cash and cash equivalents, June 30	<u>\$ 1,025,658</u>	<u>\$ 769,093</u>	<u>\$ 1,498,459</u>
Reconciliation of operating income / (loss) to net cash provided by / (used for) operating activities:			
Operating income / (loss)	\$ 610,143	\$ (413,128)	\$ 197,015
Adjustment to reconcile operating income / (loss) to cash provided by / (used for) operating activities:			
Depreciation	77,373	24,214	101,587
Federal food distribution program		72,429	72,429
Changes in assets and liabilities:			
(Increase) in accounts receivable	(2,731)	(9,053)	(11,784)
(Increase) in inventory		(9,178)	(9,178)
Increase/(Decrease) in accounts payable	(31,613)	67,370	35,757
Increase in unearned revenue		19,443	19,443
(Decrease) in net pension liability	(377,680)		(377,680)
Decrease in deferred outflows related to pensions	71,490		71,490
(Decrease) in deferred inflows related to pensions	(341,253)		(341,253)
Net cash provided by / (used for) operating activities	<u>\$ 5,729</u>	<u>\$ (247,903)</u>	<u>\$ (242,174)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received \$75,734 and utilized \$72,429 of commodities from the Federal Food Distribution Program for the fiscal year ended June 30, 2023.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Health Benefits
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 241,170
Total Assets	241,170
NET POSITION:	
Unrestricted	241,170
Total Net Position	\$ 241,170

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Health Benefits</u>
Operating Revenue:	
Local Sources:	
Charges and Fees	\$ 4,112,380
Total Operating Revenue	<u>4,112,380</u>
Operating Expenses:	
Benefits	<u>4,698,050</u>
Total Operating Expenses	<u>4,698,050</u>
Operating (Loss)	<u>(585,670)</u>
Non-Operating Revenue:	
Local Sources:	
Interest Income	<u>13,786</u>
Total Non-Operating Revenue	<u>13,786</u>
Change in Net Position	(571,884)
Net Position - Beginning of Year	<u>813,054</u>
Net Position - End of Year	<u><u>\$ 241,170</u></u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
INTERNAL SERVICE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Health Benefits</u>
Cash Flows from Operating Activities:	
Receipts from the District	\$ 4,112,380
Payments for Health Benefit Claims and Expenses	<u>(4,698,050)</u>
Net Cash (Used for) Operating Activities	<u>(585,670)</u>
Cash Flows from Investing Activities:	
Interest Income	<u>13,786</u>
Net Cash Provided by Investing Activities	<u>13,786</u>
Net Decrease in Cash and Cash Equivalents	(571,884)
Cash and Cash Equivalents, July 1	<u>813,054</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 241,170</u></u>
Reconciliation of Operating (Loss) to Net Cash (Used for) Operating Activities:	
Operating (Loss)	<u>\$ (585,670)</u>
Net Cash (Used for) Operating Activities	<u><u>\$ (585,670)</u></u>

**FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)**

**LONG-TERM LIABILITIES**



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Maturities of Bonds

Purpose	Date of Issue	Original Issue	Outstanding		Int. Rate	Matured	Balance July 1, 2022	Balance June 30, 2023
			Date	Amount				
Advance Refunding of School Bonds	01/23/2013	\$ 10,425,000				\$ 1,145,000	\$ 1,145,000	
Various School Building Improvements	12/18/2018	12,250,000	08/01/2023	\$ 380,000	3.250%			
			08/01/2024	380,000	3.250%			
			08/01/2025	750,000	3.250%			
			08/01/2026	750,000	3.250%			
			08/01/2027	750,000	3.250%			
			08/01/2028	700,000	3.250%			
			08/01/2029	700,000	3.250%			
			08/01/2030	700,000	3.250%			
			08/01/2031	700,000	3.250%			
			08/01/2032	700,000	3.375%			
			08/01/2033	700,000	3.500%			
			08/01/2034	700,000	3.500%			
			08/01/2035	700,000	4.000%			
			08/01/2036	700,000	4.000%			
			08/01/2037	700,000	4.000%			
			08/01/2038	700,000	4.000%			
							11,090,000	\$ 10,710,000
	Various School Building Improvements	08/15/2019	12,245,000	08/01/2023	535,000	2.000%		
			08/01/2024	625,000	2.000%			
			08/01/2025	700,000	2.000%			
			08/01/2026	700,000	2.000%			
			08/01/2027	700,000	2.000%			
			08/01/2028	700,000	2.000%			
			08/01/2029	700,000	2.000%			
			08/01/2030	700,000	2.000%			
			08/01/2031	700,000	2.125%			
			08/01/2032	700,000	2.250%			
		08/01/2033	700,000	2.250%				
		08/01/2034	700,000	2.750%				
		08/01/2035	700,000	3.000%				
		08/01/2036	700,000	3.000%				
		08/01/2037	700,000	3.000%				
		08/01/2038	675,000	3.000%				
						11,435,000	10,935,000	

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Int. Rate	Balance July 1, 2022	Matured	Balance June 30, 2023
			Date	Amount	Outstanding June 30, 2023				
Advance Refunding of School Bonds	04/13/2021	\$ 9,385,000	08/01/2023	\$ 2,155,000	0.410%	\$ 9,240,000	\$ 960,000	\$ 8,280,000	
			08/01/2024	2,125,000	0.670%				
			08/01/2025	1,000,000	1.100%				
			08/01/2026	1,015,000	1.270%				
			08/01/2027	1,000,000	1.620%				
			08/01/2028	985,000	1.820%				
						\$ 32,910,000	\$ 2,985,000	\$ 29,925,000	

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Item	Interest Rate	Original Issue	Balance June 30, 2022	Issued	Matured	Balance June 30, 2023
Various Equipment and Vehicles	2.44%	\$ 1,415,000	\$ 574,909		\$ 283,986	\$ 290,923
Various Equipment and Vehicles	2.96%	1,543,000	319,798		319,798	
Various Equipment and Vehicles	0.87%	1,539,663	923,751		305,233	618,518
Various Equipment and Vehicles	0.92%	2,446,320	1,952,663		481,450	1,471,213
Various Equipment and Vehicles	2.60%	2,200,000	2,200,000		453,327	1,746,673
Various Equipment and Vehicles	3.82%	1,963,750		\$ 1,963,750		1,963,750
			\$ 5,971,121	\$ 1,963,750	\$ 1,843,794	\$ 6,091,077

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF OBLIGATIONS UNDER LEASES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Purpose	Interest Rate	Original Issue	Balance June 30, 2022	Matured	Balance June 30, 2023
Lease of Garage	2.975%	\$ 1,166,000	\$ 576,000	\$ 59,000	\$ 517,000
Copiers	2.60%	729,206	590,835	142,010	448,825
Postage Machine	2.60%	10,399	8,426	2,025	6,401
Lease of Business Office	2.60%	8,964	8,283	8,283	
			<u>\$ 1,183,544</u>	<u>\$ 211,318</u>	<u>\$ 972,226</u>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 3,425,149		\$ 3,425,149	\$ 3,425,149	
State Sources:					
Debt Service Aid Type II	340,571		340,571	340,571	
Total Revenue	<u>3,765,720</u>		<u>3,765,720</u>	<u>3,765,720</u>	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	780,721		780,721	780,720	\$ 1
Redemption of Principal	2,985,000		2,985,000	2,985,000	
Total Regular Debt Service	<u>3,765,721</u>		<u>3,765,721</u>	<u>3,765,720</u>	<u>1</u>
Total Expenditures	<u>3,765,721</u>		<u>3,765,721</u>	<u>3,765,720</u>	<u>1</u>
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	(1)		(1)		1
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1</u>	<u>\$ 1</u>
<u>Recapitulation:</u>					
Restricted				<u>\$ 1</u>	

**STATISTICAL SECTION**  
**(UNAUDITED)**

This part of the District’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District’s overall financial health.

**Contents**

	<b><u>Exhibit</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
<b>Operating Information</b> These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

**Sources:** Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities/(Deficit):</b>										
Net Investment in Capital Assets	\$ 21,304,920	\$ 24,938,166	\$ 26,813,419	\$ 30,521,849	\$ 34,768,233	\$ 37,185,834	\$ 29,596,447	\$ 39,716,230	\$ 42,677,809	\$ 46,445,041
Restricted	2,337,580	3,091,754	7,278,673	8,189,973	9,031,858	10,153,394	25,397,299	14,513,379	10,400,662	14,545,719
Unrestricted/(Deficit)	989,899	(25,495,859)	(28,084,241)	(30,707,410)	(32,545,649)	(31,497,754)	(31,458,302)	(25,803,408)	(15,887,294)	(17,149,476)
<b>Total Governmental Activities Net Position</b>	<b>\$ 24,632,399</b>	<b>\$ 2,534,061</b>	<b>\$ 6,007,851</b>	<b>\$ 8,004,412</b>	<b>\$ 11,254,442</b>	<b>\$ 15,841,474</b>	<b>\$ 23,535,444</b>	<b>\$ 28,426,201</b>	<b>\$ 37,191,177</b>	<b>\$ 43,841,284</b>
<b>Business-Type Activities/(Deficit):</b>										
Investment in Capital Assets	\$ 218,029	\$ 182,884	\$ 184,434	\$ 191,134	\$ 192,583	\$ 209,051	\$ 685,982	\$ 607,593	\$ 517,651	\$ 478,245
Unrestricted/(Deficit)	(121,106)	99,173	282,891	672,163	1,059,763	1,357,448	116,119	665,442	587,993	1,404,800
<b>Total Business-Type Activities Net Position</b>	<b>\$ 96,923</b>	<b>\$ 282,057</b>	<b>\$ 467,325</b>	<b>\$ 863,297</b>	<b>\$ 1,252,346</b>	<b>\$ 1,566,499</b>	<b>\$ 802,101</b>	<b>\$ 1,273,035</b>	<b>\$ 1,105,644</b>	<b>\$ 1,883,045</b>
<b>District-Wide/(Deficit):</b>										
Net Investment in Capital Assets	\$ 21,522,949	\$ 25,121,050	\$ 26,997,853	\$ 30,712,983	\$ 34,960,816	\$ 37,394,885	\$ 30,282,429	\$ 40,323,823	\$ 43,195,460	\$ 46,923,286
Restricted	2,337,580	3,091,754	7,278,673	8,189,973	9,031,858	10,153,394	25,397,299	14,513,379	10,400,662	14,545,719
Unrestricted/(Deficit)	868,793	(25,396,686)	(27,801,350)	(30,035,247)	(31,485,886)	(30,140,306)	(31,342,183)	(25,137,966)	(15,299,301)	(15,744,676)
<b>Total District Net Position</b>	<b>\$ 24,729,322</b>	<b>\$ 2,816,118</b>	<b>\$ 6,475,176</b>	<b>\$ 8,867,709</b>	<b>\$ 12,506,788</b>	<b>\$ 17,407,973</b>	<b>\$ 24,337,545</b>	<b>\$ 29,699,236</b>	<b>\$ 38,296,821</b>	<b>\$ 45,724,329</b>

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST NINE FISCAL YEARS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental Activities:										
Instruction	\$ 50,316,817	\$ 57,734,945	\$ 59,841,609	\$ 67,203,433	\$ 66,930,471	\$ 64,104,624	\$ 63,478,496	\$ 63,981,466	\$ 59,961,900	\$ 58,481,439
Support Services:										
Tuition	2,956,830	3,098,614	3,203,254	2,753,229	2,313,188	2,079,770	1,821,734	1,808,429	1,329,021	1,461,101
Student and Instruction Related Services	12,944,340	14,107,962	14,981,637	16,425,489	17,078,051	16,824,414	16,379,630	16,405,042	16,280,032	15,398,456
General Administrative Services	2,006,284	2,307,620	2,203,248	2,111,311	2,315,993	2,084,831	1,911,716	1,700,948	1,735,320	1,932,846
School Administrative Services	4,042,276	4,606,622	4,907,706	5,600,331	5,691,607	5,242,486	5,252,898	5,319,840	4,708,836	4,633,992
Plant Operations and Maintenance	8,498,204	8,711,530	9,070,455	10,200,716	10,352,578	10,825,560	10,900,943	10,978,153	11,290,821	10,967,931
Pupil Transportation	5,244,313	5,511,833	6,060,369	6,204,447	5,895,069	5,538,887	5,614,814	5,842,737	5,641,834	6,458,666
Central Services	2,805,224	1,750,958	1,830,671	2,150,154	2,322,964	2,324,433	2,419,123	2,609,096	2,447,752	2,460,289
Administrative Information Technology		1,642,192	1,764,253	2,364,061	2,564,380	2,630,451	2,737,008	2,923,272	3,055,627	3,033,883
Capital Outlay					2,277,293	68,954				
Charter Schools	77,337	78,078	138,358	160,683	159,347	81,242	218,103	108,960	177,722	202,970
Interest on Long-Term Debt	933,891	1,073,055	738,379	671,920	583,980	703,392	1,132,002	1,135,611	846,538	758,190
Unallocated Depreciation					6,159	3,090	8,527	4,715	7,139	8,651
Total Governmental Activities Expenses	89,825,516	100,623,409	104,739,939	115,845,774	118,491,080	112,512,134	111,874,994	112,818,269	107,482,542	105,798,414
Business-Type Activities:										
Food Service	1,262,229	1,114,686	1,129,914	1,151,145	1,213,129	1,301,419	1,092,108	1,274,717	1,887,866	1,602,122
Community School	1,421,136	1,346,504	1,003,106	988,610	1,066,325	1,211,220	1,642,010	(167,515)	1,626,777	(15,757)
Total Business-Type Activities Expense	2,683,365	2,461,190	2,133,020	2,139,755	2,279,454	2,512,639	2,734,118	1,107,202	3,514,643	1,586,365
Total District Expenses	92,508,881	103,084,599	106,872,959	117,985,529	120,770,534	115,024,773	114,609,112	113,925,471	110,997,185	107,384,779
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services:										
Tuition	93,274	115,096	80,702	121,699	136,842	296,800	466,962	688,684	1,066,807	1,410,036
Student & Instruction Related Services									570,193	634,529
Operating Grants and Contributions	12,956,363	22,156,600	26,341,339	33,501,405	35,914,350	30,525,467	30,561,607	29,529,671	27,451,137	22,274,537
Capital Grants and Contributions	13,049,637	22,545,572	27,914,472	33,623,104	36,051,192	30,822,267	31,028,569	30,488,818	29,088,137	24,319,102
Total Governmental Activities Program Revenues	27,985,274	60,262,268	135,266,813	168,746,208	172,742,459	158,144,534	169,085,648	167,757,283	167,716,274	158,638,194
Business-Type Activities:										
Charges for Services:										
Food Service	924,316	883,319	943,710	958,378	1,015,042	1,065,759	770,553	15,326	325,174	1,188,994
Community School	1,398,216	1,543,180	1,137,087	1,311,996	1,369,867	1,478,336	1,192,146	182,116	1,087,493	594,386
Operating Grants and Contributions	243,439	232,571	236,566	261,899	277,838	267,979	266,533	1,376,301	1,929,564	569,684
Total Business-Type Activities Program Revenues	2,565,971	2,659,070	2,317,363	2,532,273	2,662,747	2,812,074	2,229,232	1,573,743	3,342,231	2,353,064
Total District Program Revenues	15,615,608	25,204,642	30,231,835	36,155,377	38,713,939	33,634,341	33,257,801	32,062,561	32,430,368	26,672,166



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST NINE FISCAL YEARS  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue:										
Governmental Activities	\$ (76,775,879)	\$ (78,077,837)	\$ (76,825,467)	\$ (82,222,670)	\$ (82,439,888)	\$ (81,689,867)	\$ (80,846,425)	\$ (82,329,451)	\$ (78,394,405)	\$ (81,479,312)
Business-Type Activities	(117,394)	197,880	184,343	392,518	383,293	299,435	(504,886)	466,541	(172,412)	766,699
Total District-Wide Net Expense	(76,893,273)	(77,879,957)	(76,641,124)	(81,830,152)	(82,056,595)	(81,390,432)	(81,351,311)	(81,862,910)	(78,566,817)	(80,712,613)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	67,110,344	68,452,559	69,821,601	71,218,033	72,642,394	74,095,242	75,577,147	77,088,690	78,630,464	80,203,073
Taxes Levied for Debt Service	3,773,292	3,780,553	3,735,257	3,570,887	3,538,186	3,601,775	3,591,051	3,532,432	3,422,519	3,425,149
Unrestricted Grants and Contributions	9,113,822	9,196,218	9,214,347	9,288,244	9,295,437	8,171,939	7,358,732	6,500,139	4,733,976	3,767,158
Investment Earnings	13,699	11,435	13,712	42,613	24,429	182,874	678,976	93,932	127,606	483,208
Miscellaneous Income	289,378	301,757	391,817	128,064	189,472	225,069	178,934	8,848	244,816	250,831
Transfers	(73,926)									
Other Item - SDA Grants Cancelled				(28,610)						
Total Governmental Activities	80,226,609	81,742,522	83,176,734	84,219,231	85,689,918	86,276,899	87,384,840	87,224,041	87,159,381	88,129,419
Business-Type Activities:										
Investment Earnings	763	1,452	925	3,454	5,756	14,718	39,591	4,393	5,021	10,702
Transfers & Other Special Items	86,031	(14,198)								
Total Business-Type Activities	86,794	(12,746)	925	3,454	5,756	14,718	39,591	4,393	5,021	10,702
Total District-Wide	80,313,403	81,729,776	83,177,659	84,222,685	85,695,674	86,291,617	87,424,431	87,228,434	87,164,402	88,140,121
Change in Net Position:										
Governmental Activities	3,450,730	3,664,685	6,351,267	1,996,561	3,250,030	4,587,032	6,538,415	4,894,590	8,764,976	6,650,107
Business-Type Activities	(30,600)	185,134	185,268	395,972	389,049	314,153	(465,295)	470,934	(167,391)	777,401
Total District	\$ 3,420,130	\$ 3,849,819	\$ 6,536,535	\$ 2,392,533	\$ 3,639,079	\$ 4,901,185	\$ 6,073,120	\$ 5,365,524	\$ 8,597,585	\$ 7,427,508

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 UNAUDITED

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund:</b>										
Restricted	\$ 1,817,247	\$ 2,307,853	\$ 6,490,635	\$ 8,044,070	\$ 9,026,598	\$ 10,148,133	\$ 12,717,000	\$ 14,138,503	\$ 9,968,137	\$ 14,036,890
Assigned	1,672,916	1,488,916	911,639	1,201,640	723,104	2,138,748	1,059,518	3,719,231	7,810,653	5,694,481
Unassigned	473,247	537,606	661,787	767,852	777,047	1,045,451	1,431,047	3,357,261	4,051,119	2,510,304
<b>Total General Fund</b>	<b>\$ 3,963,410</b>	<b>\$ 4,334,375</b>	<b>\$ 8,064,061</b>	<b>\$ 10,013,562</b>	<b>\$ 10,526,749</b>	<b>\$ 13,332,332</b>	<b>\$ 15,207,565</b>	<b>\$ 21,214,995</b>	<b>\$ 21,829,909</b>	<b>\$ 22,241,675</b>
<b>All Other Governmental Funds:</b>										
Restricted:										
Special Revenue Fund							\$ 430,298	\$ 374,875	\$ 432,524	\$ 508,828
Capital Projects Fund	\$ 627,463	\$ 620,315	\$ 620,000	\$ 60,000		\$ 11,113,879	16,463,524	4,619,740	525,519	220,733
Debt Service Fund	5,870	163,586	167,723	85,930	5,260	5,261	1	1	1	1
Committed for:										
Capital Projects Fund	633,785	455,099	139,898							
<b>Total All Other Governmental Funds</b>	<b>\$ 1,267,118</b>	<b>\$ 1,239,000</b>	<b>\$ 927,936</b>	<b>\$ 145,930</b>	<b>\$ 5,260</b>	<b>\$ 11,119,140</b>	<b>\$ 16,893,823</b>	<b>\$ 4,994,616</b>	<b>\$ 958,044</b>	<b>\$ 729,562</b>

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues:</b>										
Tax Levy	\$ 70,883,636	\$ 72,233,112	\$ 73,556,858	\$ 74,788,920	\$ 76,180,580	\$ 77,697,017	\$ 79,168,198	\$ 80,621,122	\$ 82,052,983	\$ 83,628,222
Tuition Charges	93,274	115,096	80,702	121,699	136,842	296,800	466,962	688,684	1,066,807	1,410,036
Interest Earned on Capital Reserve Funds	2,725	3,668	635	2,135	24,429	72,607	109,029	35,315	34,955	69,880
Miscellaneous	385,640	416,128	475,780	236,606	225,294	472,255	798,248	419,959	1,017,032	1,359,238
State Sources	20,631,743	21,935,667	24,648,552	24,131,728	25,830,879	27,465,208	27,242,507	30,316,033	32,793,005	31,246,094
Federal Sources	1,553,154	1,260,253	1,271,505	1,298,939	1,229,779	1,266,769	1,231,620	1,748,885	1,582,408	2,322,591
<b>Total Revenue</b>	<b>93,350,172</b>	<b>95,963,924</b>	<b>100,034,032</b>	<b>100,580,027</b>	<b>103,627,803</b>	<b>107,270,656</b>	<b>109,016,564</b>	<b>113,829,998</b>	<b>118,547,190</b>	<b>120,036,061</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	26,657,433	26,959,447	27,058,070	27,680,631	27,789,726	28,054,804	28,095,155	27,592,436	27,894,538	28,598,937
Special Education Instruction	6,735,639	7,355,460	7,677,704	7,845,729	7,991,633	7,815,273	8,092,926	8,360,172	9,050,822	8,951,375
Other Special Instruction	521,113	447,351	471,503	422,353	428,261	463,141	503,134	483,815	461,341	513,451
Other Instruction	1,436,012	1,581,357	1,578,121	1,715,257	1,654,039	1,749,351	1,614,150	1,593,586	1,737,487	1,783,741
<b>Support Services:</b>										
Tuition	2,874,772	2,985,625	3,087,997	2,649,171	2,223,370	2,001,734	1,821,734	1,808,429	1,329,021	1,461,101
Student and Instruction Related Services	9,436,182	9,315,987	9,501,167	9,527,883	9,807,331	10,256,660	10,180,764	10,379,317	11,289,139	11,121,662
General Administrative Services	1,637,379	1,832,393	1,745,206	1,657,190	1,790,004	1,652,067	1,531,420	1,357,609	1,430,812	1,635,345
School Administrative Services	2,774,016	2,804,146	2,915,406	2,990,649	3,008,723	2,974,271	3,034,036	3,104,487	2,960,879	3,014,068
Plant Operations and Maintenance	6,694,656	6,269,627	6,382,368	6,721,058	6,761,941	7,569,177	7,755,688	7,652,309	8,376,889	8,124,989
Pupil Transportation	4,212,495	4,062,684	4,387,574	4,333,191	3,966,533	3,840,010	3,851,774	3,767,731	4,381,363	4,286,041
Central Services & Administrative IT	1,843,607	1,948,440	2,086,379	2,575,718	2,777,050	2,993,154	3,192,453	3,375,439	3,556,972	3,596,484
Unallocated Benefits	21,586,383	22,196,694	22,310,571	23,855,457	26,069,220	28,986,800	27,894,961	32,752,640	37,146,190	37,414,031
Charter Schools	77,337	78,078	138,358	160,683	159,347	81,242	218,103	108,960	177,722	202,970
<b>Debt Service:</b>										
Principal	2,825,000	2,940,000	3,170,000	3,120,000	3,165,000	3,230,000	2,905,000	2,600,000	2,900,000	2,985,000
Interest and Other Charges	1,229,321	1,115,206	828,520	783,769	703,619	610,987	995,291	1,277,404	859,061	780,720
Capital Outlay	6,684,667	3,891,808	5,990,717	3,345,183	7,029,489	4,737,522	13,898,357	17,491,424	11,365,181	7,346,612
<b>Total Expenditures</b>	<b>97,226,012</b>	<b>95,784,303</b>	<b>99,329,661</b>	<b>99,383,922</b>	<b>105,325,286</b>	<b>107,016,193</b>	<b>115,584,946</b>	<b>123,707,758</b>	<b>124,917,417</b>	<b>121,816,527</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,875,840)</b>	<b>179,621</b>	<b>704,371</b>	<b>1,196,105</b>	<b>(1,697,483)</b>	<b>254,463</b>	<b>(6,568,382)</b>	<b>(9,877,760)</b>	<b>(6,370,227)</b>	<b>(1,780,466)</b>

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

UNAUDITED  
(Continued)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing Sources (Uses)										
Refunding Bonds Issued		\$ 6,230,000						\$ 9,385,000		
School Bonds Defeased		(6,205,000)						(8,895,000)		
Premium on Refunding Bonds		213,367								
Costs of Refunding Bond Issue		(102,707)						(120,921)		
Deferred Amount on Refunding		(135,660)						(369,079)		
Bond Proceeds						\$ 12,250,000	\$ 12,245,000			
Cancellation of SDA grant				\$ (28,610)					\$ 748,569	
Leases (Non-Budgeted)									2,200,000	\$ 1,963,750
Financed Purchases (Non-Budgeted)	\$ 453,124	\$ 163,226	\$ 2,714,251		\$ 2,070,000	1,415,000	1,543,000	3,985,983		
Transfers In	469,386	2,563,501		88,468	5,260	110,267	306,336	7,362	6,396	
Transfers Out	(543,312)	(2,563,501)		(88,468)	(5,260)	(110,267)	(306,336)	(7,362)	(6,396)	
Total Other Financing Sources (Uses)	379,198	163,226	2,714,251	(28,610)	2,070,000	13,665,000	13,788,000	3,985,983	2,948,569	1,963,750
Net Change in Fund Balances	\$ (3,496,642)	\$ 342,847	\$ 3,418,622	\$ 1,167,495	\$ 372,517	\$ 13,919,463	\$ 7,219,618	\$ (5,891,777)	\$ (3,421,658)	\$ 183,284
Debt Service as a Percentage of										
Noncapital Expenditures	4.69 %	4.62 %	4.48 %	4.24 %	4.10 %	3.90 %	3.99 %	3.79 %	3.42 %	3.40 %

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Rentals</u>	<u>Miscellaneous</u>	<u>Tuition</u>	<u>Total</u>
2014	\$ 13,874	\$ 77,745	\$ 211,458	\$ 93,274	\$ 396,351
2015	11,435	58,479	243,278	115,096	428,288
2016	13,712	60,045	331,772	80,702	486,231
2017	42,613	44,722	83,342	121,699	292,376
2018	58,692	78,814	76,395	136,842	350,743
2019	141,622	76,880	79,174	296,800	594,476
2020	372,640	54,242	124,692	466,962	1,018,536
2021	93,932		1,486	688,684	784,102
2022	121,210	67,671	177,145	1,066,807	1,432,833
2023	483,208	108,272	142,559	1,410,036	2,144,075

Source: School District Records

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS  
 UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2013	\$ 35,168,100	\$ 2,415,061,300	\$ 5,072,500	\$ 177,400	\$ 235,543,200	\$ 113,465,500	\$ 93,539,900	\$ 2,898,027,900	\$ 4,985,453	\$ 2,903,013,353	\$ 202,514,300	\$ 2.42	\$ 4,269,940,784
2014	31,354,900	2,418,508,300	5,072,500	168,100	233,408,600	113,226,000	93,539,900	2,895,278,300	4,132,679	2,899,410,979	203,726,300	2.47	4,221,259,506
2015	29,795,600	2,427,224,200	4,719,600	168,100	232,632,500	112,101,700	96,019,900	2,902,661,600	4,128,427	2,906,790,027	203,840,100	2.51	4,343,879,678
2016	35,642,100	2,430,447,000	3,942,800	138,900	230,059,300	110,779,400	108,212,100	2,919,241,600	4,104,796	2,923,346,396	204,592,900	2.54	4,317,919,193
2017	* 44,356,600	3,531,145,300	6,182,600	141,400	378,893,900	161,254,400	165,584,900	4,287,559,100	6,034,741	4,293,593,841	458,007,200	1.76	4,350,992,211
2018	45,597,100	3,551,491,800	6,325,500	141,400	373,212,200	156,100,300	165,584,900	4,298,453,200	5,831,399	4,304,143,199	458,381,900	1.79	4,419,539,013
2019	42,097,600	3,583,681,500	6,577,400	142,200	367,157,900	157,814,600	166,276,200	4,323,747,400	5,766,106	4,329,513,506	461,004,700	1.81	4,557,325,915
2020	41,646,500	3,592,449,000	6,578,900	142,200	366,628,500	159,557,900	166,276,200	4,333,279,200	5,720,144	4,338,999,344	464,329,000	1.84	4,585,649,783
2021	38,890,800	3,600,974,100	6,578,900	142,200	368,798,200	159,980,600	166,276,200	4,341,641,000	5,810,134	4,347,451,134	478,314,900	1.87	4,566,641,267
2022	42,022,900	3,613,837,000	6,578,900	137,200	382,076,700	160,340,600	167,776,200	4,372,769,500	5,829,678	4,378,599,178	477,288,200	1.89	4,638,459,213

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

<sup>b</sup> Tax rates are per \$100

\* Revaluation/reassessment effective in this year.

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

Source: Municipal Tax Assessor

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
UNAUDITED

Year Ended December 31,	Township of Randolph School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Township of Randolph	Morris County	
2013	\$ 2.29	\$ 0.13	\$ 2.42	\$ 0.70	\$ 0.37	\$ 3.49
2014	2.34	0.13	2.47	0.72	0.37	3.56
2015	2.38	0.13	2.51	0.73	0.37	3.62
2016	2.42	0.12	2.54	0.75	0.38	3.66
2017	* 1.68	0.08	1.76	0.51	0.26	2.53
2018	1.71	0.08	1.79	0.51	0.27	2.56
2019	1.73	0.08	1.81	0.51	0.28	2.59
2020	1.76	0.08	1.84	0.49	0.28	2.61
2021	1.79	0.08	1.87	0.51	0.27	2.65
2022	1.81	0.08	1.89	0.51	0.27	2.67

<sup>a</sup> The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

<sup>b</sup> Rates for debt service are based on each year's requirements.

\* Revaluation/reassessment effective in this year.

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

Source: Municipal Tax Collector and School Business Administrator

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2023	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Center Grove Associates	\$ 85,956,900	1.96 %
Brightview Randolph, LLC	23,829,200	0.54 %
Randolph Village	21,574,000	0.49 %
Sussex Turnpike	20,050,300	0.46 %
Pal-Pike	18,000,000	0.41 %
Canfield Mews	17,723,000	0.40 %
Center Grove Village, LLC	17,602,200	0.40 %
Randolph Grocery	14,250,000	0.33 %
Quaker Village LTD	13,107,600	0.30 %
Progressive Properties, Inc	12,462,800	0.28 %
Total	\$ 244,556,000	5.59 %

	2014	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value

INFORMATION NOT AVAILABLE

Source: Municipal Tax Assessor



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy<sup>a</sup></u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2014	\$ 70,883,636	\$ 70,883,636	100.00 %	-0-
2015	72,233,112	72,233,112	100.00 %	-0-
2016	73,556,858	73,556,858	100.00 %	-0-
2017	74,788,920	74,788,920	100.00 %	-0-
2018	76,180,580	76,180,580	100.00 %	-0-
2019	77,697,017	77,697,017	100.00 %	-0-
2020	79,168,198	79,168,198	100.00 %	-0-
2021	80,621,122	80,621,122	100.00 %	-0-
2022	82,052,983	82,052,983	100.00 %	-0-
2023	83,628,222	83,628,222	100.00 %	-0-

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

Source: Township of Randolph records including the Certificate and Report of School Taxes (A4F form).

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Financed Purchases/ Leases			
2014	\$ 31,930,000	\$ 358,694	\$ 32,288,694	1.49 %	\$ 1,252
2015	29,015,000	401,006	29,416,006	1.30 %	1,144
2016	25,845,000	2,557,505	28,402,505	1.22 %	1,110
2017	22,725,000	1,890,013	24,615,013	1.03 %	962
2018	19,560,000	2,873,251	22,433,251	0.90 %	877
2019	28,580,000	3,306,417	31,886,417	1.27 %	1,257
2020	37,920,000	3,164,088	41,084,088	1.59 %	1,626
2021	35,810,000	5,577,071	41,387,071	1.45 %	1,563
2022	32,910,000	7,154,665	40,064,665	1.40 %	1,512
2023	29,925,000	7,063,303	36,988,303	1.30 %	1,396

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

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

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 31,930,000	\$ -0-	\$ 31,930,000	1.10 %	\$ 1,238
2015	29,015,000	-0-	29,015,000	1.00 %	1,129
2016	25,845,000	-0-	25,845,000	0.89 %	1,010
2017	22,725,000	-0-	22,725,000	0.78 %	888
2018	19,560,000	-0-	19,560,000	0.46 %	765
2019	28,580,000	-0-	28,580,000	0.66 %	1,127
2020	37,920,000	-0-	37,920,000	0.88 %	1,501
2021	35,810,000	-0-	35,810,000	0.83 %	1,352
2022	32,910,000	-0-	32,910,000	0.76 %	1,242
2023	29,925,000	-0-	29,925,000	0.68 %	1,129

<sup>a</sup> See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

<sup>b</sup> See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: School District Financial Reports

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Township of Randolph	\$ 21,821,473	100.00 %	\$ 21,821,473
County of Morris General Obligation Debt	253,387,955	4.68 %	<u>11,855,153</u>
Subtotal, Overlapping Debt			33,676,626
Township of Randolph School District Direct Debt			<u>31,070,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 64,746,626</u></u>

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

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

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

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized Valuation Basis
	2022
	\$ 4,971,315,939
	2021
	4,591,899,524
	2020
	4,544,126,678
	\$ 14,107,342,141
Average Equalized Valuation of Taxable Property	\$ 4,702,447,380
Debt Limit (4% of Average Equalization Value)	\$ 188,097,895 <sup>a</sup>
Net Bonded School Debt Issued and Unissued	29,925,000
Legal Debt Margin	\$ 158,172,895

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 176,469,928	\$ 179,648,009	\$ 181,639,138	\$ 182,638,715	\$ 188,097,895
Total Net Debt Applicable to Limit	28,580,000	37,920,000	35,810,000	32,910,000	29,925,000
Legal Debt Margin	\$ 147,889,928	\$ 141,728,009	\$ 145,829,138	\$ 149,728,715	\$ 158,172,895
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	16.20 %	21.11 %	19.71 %	18.02 %	15.91 %

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 172,212,209	\$ 170,711,585	\$ 170,861,710	\$ 172,304,483	\$ 173,327,002
Total Net Debt Applicable to Limit	31,930,000	29,015,000	25,845,000	22,725,000	19,560,000
Legal Debt Margin	\$ 140,282,209	\$ 141,696,585	\$ 145,016,710	\$ 149,579,483	\$ 153,767,002
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.54 %	17.00 %	15.13 %	13.19 %	11.29 %

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey,  
Department of Treasury, Division of Taxation

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Year	Population <sup>a</sup>	Morris County Per Capita Personal Income <sup>b</sup>	Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	25,782	\$ 84,287	\$ 2,173,087,434	4.60%
2015	25,705	88,298	2,269,700,090	4.00%
2016	25,590	91,252	2,335,138,680	3.80%
2017	25,600	93,544	2,394,726,400	3.40%
2018	25,573	97,244	2,486,820,812	3.00%
2019	25,370	99,140	2,515,181,800	2.70%
2020	25,265	102,227	2,582,765,155	7.50%
2021	26,480	107,767	2,853,670,160	4.80%
2022	26,497 *	107,767 *	2,855,502,199 ***	2.90%
2023	26,497 **	107,767 *	2,855,502,199 ***	N/A

N/A - Not Available

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

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

\*\*\* - Latest available population data (2022) and latest available Morris County per capita personal income (2021) was used for calculation purposes.

Source: <sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development  
<sup>b</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.  
<sup>c</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented  
<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - MORRIS COUNTY  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

2023		2014			
Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Atlantic Health System	10,552	4.05%	U.S. Army Armament R&D	5,841	2.27%
Novartis	6,500	2.49%	Novartis Corporation	5,035	1.96%
Picatinny Arsenal	6,000	2.30%	Atlantic Health System	4,463	1.74%
Barelays	3,374	1.29%	Automatic Data Processing, Inc.	2,060	0.80%
Bayer	2,713	1.04%	Bayer Healthcare, LLC	1,900	0.74%
ADP	2,400	0.92%	County of Morris	1,674	0.65%
Accenture	2,344	0.90%	Wyndham Worldwide Corporation	1,653	0.64%
Pricewaterhouse Coopers	2,095	0.80%	St Clare's	1,642	0.64%
Cigna	1,686	0.65%	BASF Corporation	1,500	0.58%
Deloitte & Touche	1,646	0.63%	Accenture	1,480	0.58%
Total	<u>39,310</u>	<u>15.09%</u>	Total	<u>27,248</u>	<u>10.60%</u>
Total Employment *	<u>260,558</u>		Total Employment *	<u>257,024</u>	

\* - Employment data provided by the NJ Department of Labor and Workforce Development.

Source: County of Morris

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:										
Regular	360	325	331	360	350	339	329	338	305	310
Special education	117	147	138	117	127	128	123	125	144	135
Support Services:										
Student & instruction related services	101	99	93	90	92	97	100	107	108	119
School administrative services	32	27	26	29	29	29	29	29	29	29
General and business administrative services	26	41	63	62	63	61	60	61	52	52
Plant operations and maintenance	53	52	53	50	51	49	55	51	54	51
Pupil transportation	47	46	48	50	48	48	47	49	52	45
<b>Total</b>	<b>736</b>	<b>737</b>	<b>752</b>	<b>758</b>	<b>760</b>	<b>751</b>	<b>743</b>	<b>760</b>	<b>744</b>	<b>741</b>

Source: District Personnel Records



RANDOLPH TOWNSHIP SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment <sup>d</sup>	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance (ADA) <sup>d</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2014	4,919	\$ 86,487,024	\$ 17,582	2.61%	477	10.3	9.8	9.7	4,919	4,691	-2.36%	95.36%
2015	4,819	87,837,289	18,227	3.67%	472	13.1	11.8	12.4	4,819	4,607	-2.03%	95.60%
2016	4,797	89,340,424	18,624	2.18%	469	12.5	11.0	12.0	4,797	4,603	-0.46%	95.96%
2017	4,688	92,134,970	19,653	5.53%	456	10.4	11.1	10.1	4,688	4,484	-2.27%	95.65%
2018	4,700	94,427,178	20,091	2.23%	477	11.4	11.1	11.1	4,700	4,501	0.26%	95.77%
2019	4,607	98,437,684	21,367	6.35%	467	10.9	11.1	11.1	4,607	4,407	-1.98%	95.66%
2020	4,514	97,786,298	21,663	1.38%	452	10.8	11.0	11.0	4,522	4,396	-1.84%	97.22%
2021	4,298	102,338,930	23,811	9.92%	463	10.5	11.0	11.0	4,307	4,203	-4.76%	97.59%
2022	4,287	109,793,175	25,611	7.56%	449	11.4	11.1	11.1	4,300	4,079	-0.16%	94.86%
2023	4,227	110,704,195	26,190	2.26%	451	11.9	11.1	12.1	4,228	4,000	-1.67%	94.61%

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

Note: Enrollment based on annual October district count.

Source: School District records

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>District Buildings</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Center Grove School	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Square Feet	608	608	608	608	608	608	608	608	608	608
Capacity (students)	550	479	484	492	496	520	501	466	500	542
Enrollment	75,569	75,569	75,569	75,569	75,569	75,569	75,569	75,569	75,569	75,569
Fernbrook School	567	567	567	567	567	567	567	567	567	567
Square Feet	570	555	541	520	530	548	531	501	504	493
Capacity (students)	63,764	63,764	63,764	63,764	63,764	63,764	63,764	63,764	63,764	63,764
Enrollment	643	643	643	643	643	643	643	643	643	643
Ironia School	482	448	448	429	451	451	435	437	450	480
Square Feet	69,283	69,283	69,283	69,283	69,283	69,283	69,283	69,283	69,283	69,283
Capacity (students)	567	567	567	567	567	567	567	567	567	567
Enrollment	541	510	476	458	467	443	449	416	444	438
Shongum School	170,243	170,243	170,243	170,243	170,243	170,243	170,243	170,243	170,243	170,243
Square Feet	893	893	893	893	893	893	893	893	893	893
Capacity (students)	1,271	1,230	1,239	1,193	1,138	1,069	1,032	1,009	985	924
Enrollment	276,337	276,337	276,337	276,337	276,337	276,337	276,337	276,337	276,337	276,337
High School	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877
Square Feet	1,573	1,620	1,610	1,596	1,618	1,576	1,566	1,469	1,404	1,350
Capacity (students)										
Enrollment										

Number of Schools at June 30, 2023

Elementary = 4

Middle School = 1

High School = 1

Source: School District Facilities Office

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
UNAUDITED

Undistributed Expenditures - Required Maintenance for School Facilities  
Account # 11-000-261-xxx

Fiscal Year Ended June 30,	Center Grove	Fernbrook	Ironia	Shongum	Middle	High	Total
	School	School	School	School	School	School	
2014	\$ 236,486	\$ 220,917	\$ 176,640	\$ 193,086	\$ 213,299	\$ 494,440	\$ 1,534,868
2015	154,266	178,357	134,519	156,214	239,693	397,367	1,260,416
2016	207,294	237,654	151,057	156,096	171,991	366,809	1,290,901
2017	248,727	224,208	173,544	163,405	221,317	424,050	1,455,251
2018	250,189	196,996	164,655	149,156	239,352	385,540	1,385,888
2019	271,738	255,567	175,822	205,517	343,557	533,889	1,786,090
2020	227,450	275,024	259,781	258,334	389,683	492,598	1,902,870
2021	229,534	301,845	229,751	208,506	274,410	483,730	1,727,776
2022	333,103	153,718	316,835	238,770	290,743	398,760	1,731,929
2023	100,622	132,711	127,976	121,873	494,067	571,608	1,548,857

Source: School District records.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Multi Peril Package Policy- SAIF		
Property, Inland Marine, Automobile Physical Damage	\$ 500,000,000	\$ 2,500
Security Guard/Law Enforcement	1,000,000	5,000
Crime - Employee Dishonesty	500,000	1,000
Comprehensive General Liability	10,000,000	
Excess/Umbrella	10,000,000	
Comprehensive Automobile Liability - SAIF		
Limit of Liability	10,000,000	1,000
Aggregate	46,000,000	
Public Official Bonds - Selective Insurance		
Business Administrator	420,000	None
Assistant Business Administrator - Katie DeRiso	400,000	None
Assistant Business Administrator - Elizabeth Moreland	420,000	None
Assistant Business Administrator - Moira Hardesty	420,000	None
Student Accident - Maximum Limit - Zurich American	6,000,000	
Environmental Policy - SAIF		
Limit of Liability	1,000,000	50,000
Aggregate	10,000,000	50,000
School Leaders - SAIF		
Limit of Liability	5,000,000	
Retention	10,000	
CAP Excess - Fireman's Fund		
Limit of Liability	25,000,000	
Workers' Compensation- NJSIG		
Workers' Compensation	3,000,000	

Source: School District records.

**SINGLE AUDIT SECTION**

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Randolph Township School District  
County of Morris, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Randolph Township School District, in the County of Morris (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 8, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members  
of the Board of Education  
Randolph Township School District  
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### **Report on Compliance and Other Matters**

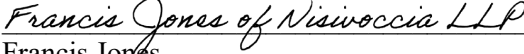
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

### **Purpose of this Report**

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

December 8, 2023  
Mount Arlington, New Jersey

NISIVOCCIA LLP

  
Francis Jones  
Licensed Public School Accountant #1154  
Certified Public Accountant

Report on Compliance For Each Major Federal and State Program;  
Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Randolph Township School District  
County of Morris, New Jersey

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

***Opinion on Each Major Federal and State Program***

We have audited the Board of Education of the Randolph Township School District's (the "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 District's major federal and state programs for the fiscal year ended June 30, 2023. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

***Basis for Opinion on Each Major Federal and State Program***

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

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



The Honorable President and Members  
of the Board of Education  
Randolph Township School District  
Page 2

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than 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 the District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance and New Jersey's OMB Circular 15-08, we

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

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

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

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

The Honorable President and Members  
of the Board of Education  
Randolph Township School District  
Page 3

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

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

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

December 8, 2023  
Mount Arlington, New Jersey

NISIVOCCIA LLP

*Francis Jones of Nisivoccia LLP*  
Francis Jones  
Licensed Public School Accountant #1154  
Certified Public Accountant

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Cancellation of Prior Years' Accounts Payable/ Encumbrances	Balance at June 30, 2023		Amounts Paid to Subrecipients
					Unearned Revenue/ (Accounts Receivable)	Due to Grantor		Budgetary Unearned Revenue	Budgetary Accounts Receivable	
<b>U.S. Department of Agriculture:</b>										
Passed-through State Department of Education:										
Child Nutrition Cluster:										
Federal Food Distribution Program	10.555	N/A	7/1/22-6/30/23	\$ 75,734	\$	\$ 75,734	\$	\$ 9,487		
Federal Food Distribution Program	10.555	N/A	7/1/21-6/30/22	94,675	\$ 6,182					
COVID-19 Seamless Summer Option	10.555	N/A	7/1/21-6/30/22	1,794,024	(115,342)					
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	321,052		115,342				
School Breakfast Program	10.553	N/A	7/1/22-6/30/23	21,086		302,720			\$ (18,332)	
COVID-19 Supply Chain Assistance Funding	10.555	N/A	7/1/22-6/30/23	201,635		201,635		66,874	(1,091)	
Total Child Nutrition Cluster					(109,160)	715,426		76,361	(19,423)	
Local Food for Schools Cooperative Agreement Program	10.185	N/A	7/1/22-6/30/23	2,790						
Total U.S. Department of Agriculture					(109,160)	715,426		76,361	(22,213)	
<b>U.S. Department of Health and Human Services:</b>										
Medicaid Cluster:										
Medical Assistance Program	93.778	N/A	7/1/22-6/30/23	99,319		99,319				
COVID-19 Family First Coronavirus Response Act	93.778	N/A	1/1/21-12/31/21	4,271		4,271	*			
Total Medicaid Cluster / U.S. Department of Health and Human Services						103,590				
<b>U.S. Department of Education:</b>										
Passed-through State Department of Education:										
Special Revenue Fund:										
ESEA:										
Title I	84.010	ESEA-0820-23	7/1/22-9/30/23	116,997		100,859		(116,747)	(15,888)	
Title I	84.010	ESEA-0820-22	7/1/21-9/30/22	118,959		33,340				
Total Title I						134,199		(116,747)	(15,888)	
Title IIA	84.367A	ESEA-0820-23	7/1/22-9/30/23	76,070		61,144		(76,070)	(14,926)	
Title IIA	84.367A	ESEA-0820-22	7/1/21-9/30/22	72,766		31,896				
Total Title IIA						93,040		(76,070)	(14,926)	
Title III	84.365	ESEA-0820-23	7/1/22-9/30/23	25,460		7,028		(19,735)	(12,707)	
Title III	84.365	ESEA-0820-22	7/1/21-9/30/22	28,424		16,412				
Total Title III						23,440		(19,735)	(12,707)	
<b>Special Education Cluster:</b>										
I.D.E.A. Part B, Basic	84.027	IDEA-0820-23	7/1/22-9/30/23	982,747		952,747		(982,543)	(29,796)	
I.D.E.A. Part B, Basic	84.027	IDEA-0820-22	7/1/21-9/30/22	958,947		38,561				
COVID-19 - ARP - I.D.E.A. Part B, Basic	84.027X	IDEA-0820-22	7/1/21-9/30/22	195,450		15,657				
I.D.E.A. - Preschool	84.173	IDEA-0820-23	7/1/22-9/30/23	49,753		40,826		(49,753)	(8,927)	
Total Special Education Cluster						1,047,791		(1,032,296)	(38,723)	

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expendi- tures	Cancellation of Prior Years' Accounts Payable/ Encumbrances	Balance at June 30, 2023		Amounts Paid to Subrecipients
					Unearned Revenue/ (Accounts Receivable)	Due to Grantor				Budgetary Unearned Revenue	Budgetary Accounts Receivable	
<b>U.S. Department of Education:</b>												
Passed-through State Department of Education:												
Special Revenue Fund:												
Education Stabilization Fund:												
COVID 19 - CRRSA:												
	84.425D	S42SD210027	3/13/20-9/30/23	\$ 345,841	\$ (312,976)		\$ 312,976					
	84.425D	S42SD210027	3/13/20-9/30/23	25,000	(4,216)		6,562	(15,203)			\$ (12,857)	
	84.425D	S42SD210027	3/13/20-9/30/23	45,000			42,077	(42,532)			(455)	
COVID 19 - ARP:												
	84.425U	S42SD210027	3/13/20-9/30/24	777,255	(228,003)		513,429	(285,426)				
	84.425U	S42SD210027	3/13/20-9/30/24	352,617	(30,150)		52,260	(60,300)			(38,190)	
	84.425U	S42SD210027	3/13/20-9/30/24	40,000	(170)			(40,000)			(170)	
	84.425U	S42SD210027	3/13/20-9/30/24	40,000			40,000	(40,000)			(9,515)	
	84.425U	S42SD210027	3/13/20-9/30/24	45,000	(575,515)		967,304	(432,976)			(61,187)	
					(713,381)		2,265,774	(1,697,824)	\$ 2,000		(143,431)	
Total U.S. Department of Education												
<b>U.S. Department of Treasury:</b>												
Passed-through State Department of Education:												
COVID-19 ACSERS (Additional or Compensatory												
Special Education and Related Services to												
Students with Disabilities)												
	21.027	N/A	7/1/21-6/30/22	97,931	(97,931)		97,931					
					(97,931)		97,931					
					(811,312)		2,363,705	(1,697,824)	2,000		(143,431)	
					(920,472)		3,182,721	(2,353,532)	\$ 2,000		\$ (165,644)	
												\$ -0-
Total Special Revenue Fund												
Total Federal Awards												

\* Expended in Prior Year  
N/A - Not Available/Applicable

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2022		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2023		Memo Budgetary Receivable	Cumulative Total Expenditures
				Unearned Revenue/(Accounts Receivable)	Due to Grantor				GAAP Accounts Receivable	Due to Grantor		
<b>State Department of Education:</b>												
<b>General Fund:</b>												
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$ 2,991,503	\$ (2,991,503)	\$ 2,697,497	\$ (2,991,503)			\$ (294,006)	\$ 2,991,503		2,991,503
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	4,438,751	\$ (437,466)	437,466					4,438,751		4,438,751
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	1,249,097	(123,106)	1,126,336	(1,249,097)			(122,761)	1,249,097		1,249,097
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	1,249,097		123,106					1,249,097		1,249,097
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	3,234,926	(318,822)	2,916,997	(3,234,926)			(317,929)	3,234,926		3,234,926
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	3,234,926		318,822				(10,211)	3,234,926		3,234,926
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	103,893	(10,239)	93,682	(103,893)				103,893		103,893
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	103,893		10,239					103,893		103,893
Supplemental Stabilization Aid	23-495-034-5120-128	7/1/22-6/30/23	410,721	(2,478,260)	410,721	(410,721)			(2,170,312)	410,721		410,721
Supplemental Stabilization Aid	22-495-034-5120-128	7/1/21-6/30/22	2,170,312		2,478,260	(2,170,312)				2,170,312		2,170,312
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	75,506	(67,176)	67,176	(75,506)			(75,506)	75,506		75,506
Extraordinary Aid	22-495-034-5120-044	7/1/21-6/30/22	2,478,260		13,963					2,478,260		2,478,260
Other State Aid - Non Public Transportation	23-495-034-5120-014	7/1/22-6/30/23	67,176		13,963					67,176		67,176
Other State Aid - Non Public Transportation	22-495-034-5120-014	7/1/21-6/30/22	13,963							13,963		13,963
Lead Water Testing Reimbursement	N/A	7/1/22-6/30/23										
School Development Authority:												
Securing Our Children's Future Bond Act	N/A	7/1/20-6/30/21	261,862	(261,862)	261,862					261,862		261,862
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	2,818,798	(274,945)	2,541,704	(2,818,798)			(277,094)	2,818,798		2,818,798
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	2,805,439		274,945					2,805,439		2,805,439
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	3,643,089		3,643,089	(3,643,089)				3,643,089		3,643,089
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	13,678,225		13,678,225	(13,678,225)				13,678,225		13,678,225
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	189,770		189,770	(189,770)				189,770		189,770
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	5,861		5,861	(5,861)				5,861		5,861
Subtotal - General Fund			31,289,721	(3,971,876)	31,289,721	(30,585,664)			(2,522,912)	31,289,721	(3,267,819)	45,225,068
Special Revenue Fund:												
NJ Nonpublic Aid:												
Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	8,316		8,316	(8,055)			\$ 261	8,055		8,055
Technology Initiative Aid	23-100-034-5120-373	7/1/22-6/30/23	5,292		5,292	(5,253)			39	5,253		5,253
Auxiliary Services:												
English as a Second Language	23-100-034-5120-067	7/1/22-6/30/23	501		501	(501)				501		501
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	49,119		49,119	(46,154)			2,965	46,154		46,154
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	37,355				\$ 3,046			34,309		34,309
Handicapped Services:												
Examination & Classification	23-100-034-5120-066	7/1/22-6/30/23	24,460		24,460	(17,829)			6,631	17,829		17,829
Examination & Classification	22-100-034-5120-066	7/1/21-6/30/22	30,331					1,140		29,191		29,191
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	16,926		16,926	(15,810)			1,116	15,810		15,810
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	13,950				279			13,671		13,671
Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	19,824		19,824	(17,098)			2,726	17,098		17,098
Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	21,724					1,652		20,072		20,072
Nursing Services	23-100-034-5120-070	7/1/22-6/30/23	14,112		14,112	(14,112)				14,112		14,112
Nursing Services	23-100-034-5120-509	7/1/22-6/30/23	25,830		25,830	(25,804)				25,804		25,804
Security	23-100-034-5120-509	7/1/22-6/30/23	24,675					300		24,375		24,375
Security	22-100-034-5120-509	7/1/21-6/30/22										
School Development Authority -												
Emergent and Capital Maintenance Needs	N/A	7/1/22-6/30/23	104,254		104,254	(104,254)				104,254		104,254
New Jersey Department of Community Affairs:												
Local Recreational Improvement Grant	23-495-022-8030-668	5/17/23-12/31/24	65,000			(65,000)			(65,000)	65,000		65,000
Subtotal - Special Revenue Fund			268,634	6,417	268,634	(319,870)		6,417	13,764	268,634	(65,000)	441,488

**RANDOLPH TOWNSHIP SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2022		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2023		Memo	
				Unearned Revenue/(Accounts Receivable)	Due to Grantor				GAAP Accounts Receivable	Due to Grantor		
Debt Service Fund:												
Debt Service Aid II	23-495-034-5120-075	7/1/22-6/30/23	\$ 340,571			\$ 340,571	\$ (340,571)				\$ 340,571	
Subtotal - Debt Service Fund						340,571	(340,571)				340,571	
Enterprise Fund:												
State School Lunch Program	23-495-010-3350-001	7/1/22-6/30/23	17,061			16,073	(17,061)				17,061	
State School Breakfast Program	23-495-010-3350-002	7/1/22-6/30/23	505			485	(505)				505	
COVID-19 Seamless Summer Option	N/A	7/1/21-6/30/22	35,693	\$ (2,339)		2,339					35,693	
Subtotal - Enterprise Fund				(2,339)		18,897	(17,566)			(1,008)	53,259	
Total State Awards Subject to Single Audit Determination				\$ (3,974,215)	\$ 6,417	\$ 31,917,823	\$ (31,263,671)	\$ 6,417	\$ (2,523,920)	\$ 13,764	\$ (3,333,827)	\$ 46,060,386
Less: State Awards Not Subject to Single Audit Major Program Determination												
On-Behalf TPAF Pension System Contributions:												
Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	(3,643,089)				3,643,089					
Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	(13,678,225)				13,678,225					
Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	(189,770)				189,770					
Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	(5,861)				5,861					
Subtotal - On-Behalf TPAF Pension System Contributions							17,516,945.00					
Total State Awards Subject to Single Audit Major Program Determination							\$ (13,746,726)					

N/A - Not Available/Applicable

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$144,726 for the general fund and \$386,577 for the special revenue fund (of which (\$10,137) applies to encumbrances of local grants). See Note 1 D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
NOTES TO SCHEDULES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

Revenue from federal and state awards is reported in the Board’s basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 103,590	\$30,730,390	\$30,833,980
Special Revenue Fund	2,219,001	175,133	2,394,134
Debt Service Fund		340,571	340,571
Food Service Fund	<u>552,118</u>	<u>17,566</u>	<u>569,684</u>
Total Financial Assistance	<u>\$ 2,874,709</u>	<u>\$31,263,660</u>	<u>\$34,138,369</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2023.



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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and NJ OMB 15-08*.
- The auditor's report on compliance for each of the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circulars 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following:

<u>State:</u>	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
General Fund State Aid:				
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$2,991,503	\$ 2,991,503
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	3,234,926	3,234,926
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	103,893	103,893
Supplemental Stabilization Aid	23-495-034-5120-128	7/1/22-6/30/23	410,721	410,721
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	1,249,097	1,249,097

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

Summary of Auditors' Results (Cont'd)

	<u>Assistance Listing/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
IDEA Part B, Basic	84.027	7/1/22-9/30/23	\$ 982,549	\$ 982,543
IDEA Part B Preschool	84.173	7/1/22-9/30/23	49,753	49,753

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

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

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

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

RANDOLPH TOWNSHIP SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023

Status of Prior Year Findings:

There were no prior year findings.