

**SCHOOL DISTRICT**

**OF**

**RUNNEMEDE**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**of the**

**Runnemede Board of Education**

**Runnemede, New Jersey**

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

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**of the**

**Runnemede Board of Education**

**Runnemede, New Jersey**

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

**Prepared by**

**Runnemede Board of Education**

**Finance Department**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE RUNNEMEDE SCHOOL DISTRICT  
TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

<u>Exhibit</u>	<u>Page</u>
Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7

**FINANCIAL SECTION**

<b>Independent Auditor's Report</b>	8-10
<b>Not Used</b>	11
<b>Required Supplementary Information – Part I Management's Discussion and Analysis (Unaudited)</b>	12-20

**Basic Financial Statements**

A. District-wide Financial Statements:

A-1 Statement of Net Position	21
A-2 Statement of Activities	22

B. Fund Financial Statements:

Governmental Funds:

B-1 Balance Sheet	23
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	24
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25

Proprietary Funds:

B-4 Statement of Net Position	26
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	27
B-6 Statement of Cash Flows	28

Fiduciary Funds:

B-7 Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A

<b>Notes to the Financial Statements</b>	29-61
--	-------

Not Used	62
----------	----

**Required Supplementary Information – Part II**

C. Budgetary Comparison Schedule (Unaudited)

C-1 Budgetary Comparison Schedule – General Fund	63-68
C-1a Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	N/A
C-1b Community Development Block Grant – Budget and Actual	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	69

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE RUNNEMEDE SCHOOL DISTRICT  
TABLE OF CONTENTS**

**FINANCIAL SECTION (Continued)**

<u>Exhibit</u>	<u>Page</u>
<b>Notes to the Required Supplementary Information - Part II</b>	
C-3 Budget-to-GAAP Reconciliation	70
<b>Required Supplementary Information – Part III</b>	
L. Schedules Related to Accounting and Reporting for Pensions (GASB 68) (Unaudited)	
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – PERS	71
L-2 Schedule of District Contributions – PERS	72
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability – TPAF	73
M. Schedules Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions	
M-1 Schedule of Changes in the Total OPEB Liability and Related Ratios	74
<b>Other Supplementary Information</b>	
D. School Based Budget Schedules (if applicable):	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	75-76
E-2 Preschool Education Aid Schedule(s) of Expenditures – Budgetary Basis	77
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	N/A
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	N/A
F-2a-b Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis	N/A
Not Used	78-81

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE RUNNEMEDE SCHOOL DISTRICT  
TABLE OF CONTENTS**

<u>Exhibit</u>	<u>Page</u>
<b>Other Supplementary Information (Continued)</b>	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Schedule of Net Position	82
G-2 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	83
G-3 Combining Schedule of Cash Flows	84
Internal Service Fund:	
G-4 Combining Schedule of Net Position	N/A
G-5 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	N/A
G-6 Combining Schedule of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Combining Statement of Changes in Fiduciary Net Position	N/A
Pages 88 through 91 Not Used	
I. Long-Term Debt:	
I-1 Statement of Serial Bonds	N/A
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	N/A

**STATISTICAL SECTION (Unaudited)**

**Introduction to the Statistical Section**

**Financial Trends Information/Schedules**

J-1 Net Position by Component	85
J-2 Changes in Net Position	86
J-3 Fund Balances-Governmental Funds	87
J-4 Changes in Fund Balances, Governmental Funds	88
J-5 General Fund Other Local Revenue by Source	89

**Revenue Capacity Information**

J-6 Assessed Value and Estimated Actual Value of Taxable Property	90
J-7 Direct and Overlapping Property Tax Rates	91
J-8 Principal Property Taxpayers	92
J-9 Property Tax Levies and Collections	93

**Debt Capacity Information**

J-10 Ratios of Outstanding Debt by Type	94
J-11 Ratios of General Bonded Debt Outstanding	95
J-12 Direct and Overlapping Governmental Activities Debt	96
J-13 Legal Debt Margin Information	97

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
OF THE RUNNEMEDE SCHOOL DISTRICT  
TABLE OF CONTENTS**

**STATISTICAL SECTION (Unaudited) (Continued)**

<u>Exhibit</u>		<u>Page</u>
<b>Demographic and Economic Information</b>		
J-14	Demographic and Economic Statistics	98
J-15	Principal Employers	99
<b>Operating Information</b>		
J-16	Full-time Equivalent District Employees by Function/Program	100
J-17	Operating Statistics	101
J-18	School Building Information	102
J-19	Schedule of Required Maintenance Expenditures by School Facility	103
J-20	Insurance Schedule	104

**SINGLE AUDIT SECTION**

K-1	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	105-106
K-2	Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures Required by Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Treasury Circular 15-08	107-109
K-3	Schedule of Expenditures of Federal Awards - Schedule A	110
K-4	Schedule of Expenditures of State Financial Assistance - Schedule B	111
K-5	Notes to the Schedules of Awards and Financial Assistance	112-113
K-6	Schedule of Findings and Questioned Costs- Summary of Auditor's Results	114-115
K-6	Schedule of Findings and Questioned Costs - Financial Statement Federal Awards and State Financial Assistance	116-117
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	118

## **INTRODUCTORY SECTION**

# *Runnemede Board of Education*

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Dr. Sean McCarron  
Business Administrator

24 N. Black Horse Pike, 2nd Floor  
Runnemede, NJ 08078  
(856) 931-5367 Fax: (856) 931-4446

November 24, 2023

Honorable President and  
Members of the Board of Education  
Runnemede School District  
County of Camden, New Jersey 08078

Dear Board Members:

The Annual Comprehensive Financial Report of the Runnemede Public School District (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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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 as follows:

- The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials.
  - The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon.
  - The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.
  - The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), "Audits of States, Local Governments, and Non-Profit Organizations" and the State Treasury Circular OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.



## **1. REPORTING ENTITY AND ITS SERVICES:**

The Runnemedede Public School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) as established by Statement No. 14. All funds of the District are included in this report. The Runnemedede Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Preschool through 8. These include comprehensive regular curriculum with appropriate support services, as well as special education for learning disabled/handicapped students. The District completed the 2022-2023 fiscal year with a June enrollment of 823 students. This represents 8 less students than 2021-2022. The following table details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>June 30 Enrollment Student Enrollment</u>	<u>Percent Change</u>
2022-23	823	(.96)%
2021-22	831	(1.82)%
2020-21	837	(3.46)%
2019-20	867	3.21%
2018-19	840	(1.40)%
2017-18	852	.23%
2016-17	850	(.12)%
2015-16	851	(2.18)%
2014-15	870	3.57%
2013-14	840	(1.52)%

## **2. ECONOMIC CONDITION AND OUTLOOK:**

While funding has been insufficient with additional state cuts looming, this has been addressed through additional revenue sources and single use federal grant opportunities. The district only took 2% tax levy increase for the 22-23 school year, placing 0% in Banked Cap. Staffing levels remained consistent and the negotiated collective bargaining agreement accounted for an average 3.4% increase for staff.

## **3. MAJOR INITIATIVES:**

The District's consistent focus is successful academic achievement based on instructional improvement. Guided reading continues to be implemented in all grade levels, providing an opportunity to differentiate instruction and meet the needs of individual learners. All of our curriculums are reviewed annually and updated based on guidance from the Department of Education and in coordination with our teachers. Technology, Literacy, and Mathematics are areas we continue to provide job-embedded professional development. Ongoing professional development has been taking place on-site by having consultants push into classrooms to work with teachers and model lessons / best instructional practices.

RTI (Response to Intervention) is fully implemented in grades K-8. We continue to fine tune the program and ensure all staff are trained on the resources we have available. The RTI Model has increased conversations between staff members, students, and parents regarding student interventions available. RTI teachers provide a variety of services between pushing into the classroom and pulling out during the school day.

Technology continues to advance with the continuous upgrade of computer labs and increasing our 1:1 initiative to grades Preschool - 8. All classrooms are equipped with Interactive Boards, and we are continually budgeting to upgrade this equipment. The web-based student information management system, Real-Time, is used again to include communication to families, lesson planning, staff evaluations, POS for food service, and houses our special education documents.

As a district we are continually trying to improve the resources we are able to provide the students within our community. We have continued to expand our preschool program and are pleased to offer educational learning opportunities at such an impressionable age.

#### **4. INTERNAL ACCOUNTING CONTROLS:**

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

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

#### **5. BUDGETARY CONTROLS:**

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

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

#### **6. ACCOUNTING SYSTEM AND REPORTS:**

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statements," Note 2.

## **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, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

## **9. OTHER INFORMATION:**

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report related specifically to the single audit are included in the single audit section of this report.

## **10. ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Runnemede School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the public school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff. We received the complete cooperation from Nightlinger, Colavita & Volpa, P.A. and appreciate the courtesies extended to us.

Respectfully submitted,

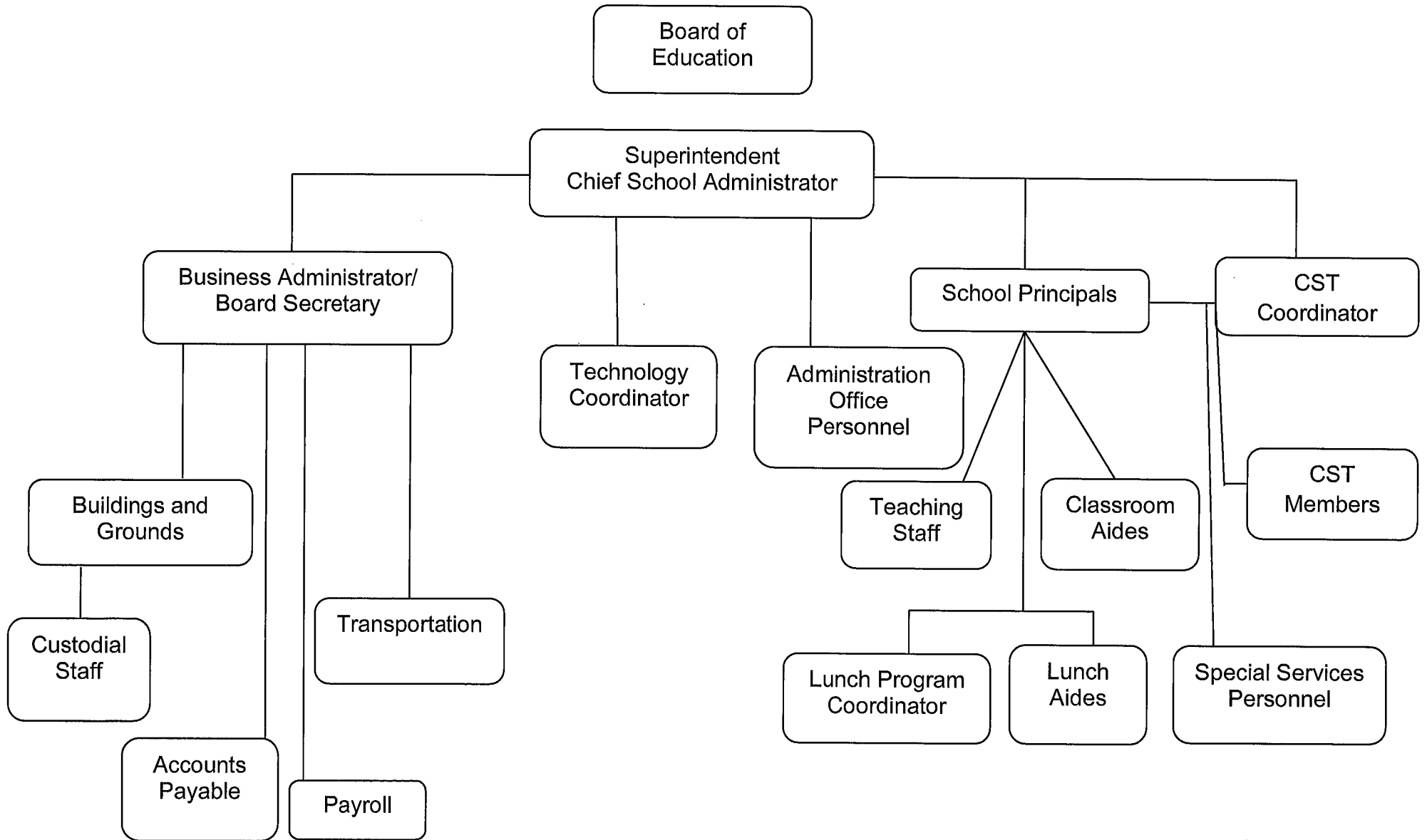
*Mark Iannucci*

Mark Iannucci, Superintendent

*Dr. Sean McCarron*

Dr. Sean McCarron, School Business  
Administrator

# RUNNEMEDE BOARD OF EDUCATION



**RUNNEMEDE BOARD OF EDUCATION**

**ROSTER OF OFFICIALS**

**JUNE 30, 2023**

<u>MEMBERS OF THE BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Samantha Spaulding, President	2023
Dan Murray, Vice President	2023
Patricia Adair	2024
Angel Beebe	2023
Naomi Davidson	2025
Heather Farrell	2024
Lisa O'Brien	2024
Maria Panzarella	2025
Barbara Sams	2025
<u>OTHER OFFICIALS</u>	<u>BOND AMOUNT</u>
Mark Iannucci, Superintendent	
Dr. Sean R. McCarron, Board Secretary / Business Administrator	\$ 200,000
Alyse Dvorak, District Accountant	
Christie Ehret, Treasurer	200,000
Derlys Gutierrez, Solicitor	

**RUNNEMEDE BOARD OF EDUCATION**  
**CONSULTANTS AND ADVISORS**

**ARCHITECT**

**Garrison Architects**  
713 Creek Road  
Bellmawr, NJ 08031

**AUDIT FIRM**

**Raymond Colavita, CPA, RMA, PSA**  
**Nightlinger, Colavita and Volpa, PA**  
P.O. Box 799  
Williamstown, NJ 08094

**ATTORNEY**

**Adams, Gutierrez & Lattiboudere, LLC**  
555 Route 1 South, Suite 240  
Iselin, NJ 08830

**OFFICIAL DEPOSITORY**

**PNC Bank**  
Glendora, NJ 08029

**INSURANCE AGENCY**

**NJSIG**  
6000 Midlantic Dr  
Suite 300N  
Mt. Laurel, NJ 08054

## **FINANCIAL SECTION**

# NIGHTLINGER, COLAVITA & VOLPA

*A Professional Association*

*Certified Public Accountants*

991 S. Black Horse Pike  
P.O. Box 799  
Williamstown, NJ 08094

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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Runnemede School District  
County of Camden, New Jersey 08078

### **Opinions**

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

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

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey, 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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey'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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey'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 Board of Education of the Runnemede School District in the County of Camden, State of New Jersey'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 and budgetary comparison information 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, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board of Education of the Runnemede School District in the County of Camden, State of New Jersey's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and is also not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting financial statements 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, as required by the Office of School Finance, Department of Education, State of New Jersey. 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 November 24, 2023 on our consideration of the Runnemede Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is 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 Runnemede Board of Education's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Runnemede School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.  
Licensed Public School Accountant

No. 915

November 24, 2023

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**

RUNNEMEDE SCHOOL DISTRICT  
BOROUGH OF RUNNEMEDE

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

UNAUDITED

As management of the Runnemede Public School District, we offer readers of the financial statements this overall review of the School District's financial activities for the fiscal year ended June 30, 2023. While the intent of this discussion and analysis is to look at the School District's financial performance as a whole, readers should also review the notes to the financial statements in conjunction with other sections of the ACFR, in order to enhance their understanding of the School District's financial performance.

### Financial Highlights

Key financial highlights for 2023 are as follows:

- ❖ The assets of the School District exceeded its liabilities at the close of the fiscal year ended June 30, 2023, by \$9,820,313. This amount represents Net Position, which increased by \$1,366,547 from the previous year-end.
- ❖ Total net position of governmental activities totaled \$9,488,147.
- ❖ General revenues, net of adjustments, accounted for \$16,047,711 in revenue or 79.2% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions accounted for \$4,206,384 or 20.8% of \$20,254,095 in total revenues.
- ❖ The School District had \$18,887,548 in program expenses. These expenses were offset by program specific charges for services, grants or contributions of \$4,206,384, as mentioned above in arriving at the \$14,822,544 in net governmental activity expenses of the District. General revenues of \$16,047,711, comprising property taxes of \$7,654,238, federal and state aid of \$8,103,997 and other miscellaneous revenues and adjustments of \$289,476 were adequate to provide for the governmental programs maintained by the school. This included a transfer to a Charter of \$39,124.
- ❖ The General Fund had \$18,208,851 in revenues, \$17,374,324 in expenditures and a decrease of \$359,124 in other financing uses. The General Fund's balance increased by \$475,403 from 2022. This increase was anticipated by the Board of Education and was attributed to appropriating matching funds for the capital projects approved with state aid.

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

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of the Runnemede School District, the General Fund is by far the most significant fund.

## **Reporting the School District as a Whole**

### **Statement of Net Position and the Statement of Activities**

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

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

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

- ❖ **Governmental Activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. There are three school buildings maintained by the District, which are the Bingham Elementary School, the Downing Elementary School, and the Volz Middle School.
- ❖ **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

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

### **Fund Financial Statements**

The analysis of the School District's major (all) funds begins on page 23. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

### **Governmental Funds**

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

**Governmental Funds (Continued)**

**Enterprise Fund**

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The Food Service Fund is the only Enterprise Fund maintained by the District.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole, which includes the Business-type Activities.

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

Table 1  
Net Position

	2023	2022
<b>Assets</b>		
Current and Other Assets	\$ 3,829,002	\$ 3,285,736
Capital Assets, Net	10,173,371	9,845,515
Total Assets	14,002,373	13,131,251
<b>Deferred Pension Outflow</b>	859,077	985,387
<b>Liabilities</b>		
Long-term Liabilities	4,337,755	3,454,837
Other Liabilities	103,588	185,504
Total Liabilities	4,441,343	3,640,341
<b>Deferred Pension Inflows</b>	599,794	1,626,491
<b>Net Position</b>		
Invested in Capital Assets, Net of Debt	10,138,481	9,775,920
Restricted	3,401,452	2,353,779
Unrestricted (Deficit)	(3,719,620)	(3,675,933)
Total Net Position	\$ 9,820,313	\$ 8,453,766

Table 2 shows the changes in net position from fiscal year's 2023 and 2022.

**Table 2**  
Changes in Net Position

	2023	2022
<b>Revenues</b>		
Programs Revenues		
Charges for Services	\$ 555,515	\$ 362,154
Operating Grants and Contributions	3,650,869	3,709,754
General Revenues		
Property Taxes	7,654,238	7,541,121
Grants and Entitlements	8,103,997	9,035,805
Other	289,476	93,906
	20,254,095	20,742,740
<b>Program Expenses</b>		
Instruction	6,640,881	6,514,030
Support Services		
Tuition	273,679	104,002
Pupils and Instructional Staff	3,132,881	2,731,304
General Administration, School		
Administration, Business	1,254,533	1,158,862
Operations and Maintenance of Facilities	1,161,569	1,166,417
Pupil Transportation	234,380	217,392
Unallocated Employee Benefits	5,118,874	6,092,412
Enterprise Funds	605,129	659,973
Other	465,622	430,356
	18,887,548	19,074,748
	\$ 1,366,547	1,667,992

**Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Of the District's \$20,254,095 in total governmental revenues for the fiscal year ended June 30, 2023, property taxes made up 37.8% of the revenues raised for governmental activities. Federal, state, and local grants accounted for another 58.0% and other revenues including adjustments made up 4.2%. The total cost of all program and services was \$18,887,548 of which the net amount spent on governmental activities was \$14,822,544. Of this amount, instruction comprised 35.6%.

### Business-Type Activities

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

- ❖ Food service revenues exceeded expenses by \$2,871 and Before and After Care revenue exceeded expenses by \$138,509. This included \$271 in interest earned.
- ❖ A subsidy from the General Fund to the food service fund was not required during the current year, as the food service operation completed the current school year with a positive net position. The District, therefore, identified the means to bring the food service cost of the District under control.
- ❖ Charges for services in the Food Service Fund represent \$96,909 of revenue. This represents the amount paid by patrons for daily food services for, representing 28.5% of the \$341,174 in total revenue in the Food Service Fund, as a result of the pandemic. The Before and After Care program had \$405,606 in charges to patrons, which was sufficient to fund expenditures.
- ❖ Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities, were \$243,994 which represents 71.5% of the revenue.

### Governmental Activities

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

Table 3

	<u>Total Cost of Service 2023</u>	<u>Net Cost of Service 2023</u>	<u>Total Cost of Service 2022</u>	<u>Net Cost of Service 2022</u>
Instruction	\$ 6,640,881	\$ 5,281,361	\$ 6,514,030	\$ 5,141,610
Support Services				
Tuition	273,679	273,679	104,002	104,002
Pupils and Instructional Staff	3,132,881	2,427,865	2,731,304	2,083,816
General Administration, School				
Administration, Business	1,254,533	1,254,533	1,158,862	1,158,862
Operation and Maintenance of Facilities	1,161,569	1,161,569	1,166,417	1,166,417
Pupil Transportation	234,380	234,380	217,392	217,392
Employee Benefits	5,118,874	3,723,535	6,092,412	4,829,955
Other	465,622	465,622	430,356	430,356
<b>Total Expenses</b>	<u><u>\$ 18,282,419</u></u>	<u><u>\$ 14,822,544</u></u>	<u><u>\$ 18,414,775</u></u>	<u><u>\$ 15,132,410</u></u>

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



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

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

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

Extracurricular activities includes expenses related to student activities provided by the School District which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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

Other includes unallocated depreciation and amortization.

**The School District's Funds**

Information about the School District's major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$20,753,816 and expenditures of \$20,236,283. The net change in fund balance for the year was \$478,409, which included a transfer to charter schools of \$39,124. The School District is able to meet current operating costs with no urgent need for additional funds.

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

Table 4

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent Increase/ (Decrease)</u>
Local Sources	\$ 7,982,567	38.46%	\$ 345,335	4.52%
State Sources	11,551,506	55.66%	650,977	5.97%
Federal Sources	1,219,743	5.88%	(242,154)	-16.56%
<b>Total</b>	<b>\$ 20,753,816</b>	<b>100.00%</b>	<b>\$ 754,158</b>	<b>3.77%</b>

The increase in Local Sources is attributed to net increases in miscellaneous revenue of \$345,335, including interest income.

The increase in State Sources is attributed to increases in general fund state aid of \$650,977, as well as an increase in grants for special projects of \$88,668.

The increase in Federal Sources is attributed to decreases in various grant awards of \$242,154.

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal year ended June 30, 2023.

Table 5

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent Increase/ (Decrease)</u>
Current:				
Instruction	\$ 6,613,744	32.7%	\$ 111,894	1.7%
Employee Benefits	6,706,956	33.1%	197,605	3.0%
Other Undistributed Expenditures	6,002,186	29.7%	727,969	13.8%
Capital Outlay	913,397	4.5%	(719,348)	-44.1%
<b>Total</b>	<b>\$ 20,236,283</b>	<b>100.0%</b>	<b>\$ 318,120</b>	<b>1.6%</b>

The increase in Current – Instruction is attributed to increases in regular instruction of \$64,749, special education instruction of \$4,743 and other instruction of \$42,402.

The increase in Current – Undistributed Expenditures is attributed to increases in tuition of \$169,677, student and instruction related services of \$401,577, general administrative services of \$18,542, school administrative services of \$8,699, central services of \$68,249, administration information technology of \$3,093, plant operations of \$44,243, pupil transportation of \$13,889, and employee benefits of \$197,605.

The decrease in capital outlay of \$719,348 includes various differences in equipment expenditures.

There were no debt service payments, as the remaining debt was paid off in the 2013-14 school year.

### General Fund Budgeting Highlights

The School District’s Budget is prepared according to New Jersey Law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2023, the School District amended its General Fund budget as needed. The School District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

Some of the normal budgetary situations requiring attention during the year are:

- ❖ Staffing changes based on student needs.
- ❖ Additional costs for student transportation both in regular education and special education.
- ❖ Accounting changes in maintenance and operations
- ❖ Changes in appropriations to prevent budget overruns.

While the District's final budget for the general fund normally plans to anticipate revenues, including surplus appropriated that would roughly equal expenditures, the actual results for the year show an actual increase in fund balance of \$501,251. This result included a transfer to a Charter School of \$39,124 and a transfer to the Pre-school program of \$320,000.

- ❖ Actual revenues were \$211,883 higher than expected, (excluding On-Behalf pension and social security state aid of \$3,245,984), due to local source revenue of \$175,788, an increase in Medicaid of \$26,633, and an increase in other state aid of \$9,462.
- ❖ The actual expenditures were \$1,091,986 lower than expected, (excluding On-Behalf pension and social security state aid of \$3,245,984), due to positive variances in Instructional expenses of \$198,606, Tuition costs of \$50,941, Pupil and staff support costs of \$139,672, administrative costs of \$100,324, Plant and Maintenance costs of \$160,603, Transportation costs of \$2,681, Employee Benefits of \$406,871, and capital outlay of \$32,288.

### Capital Assets

At the end of the fiscal year 2023 the School District had \$10,173,371 invested in land, buildings, furniture and equipment, vehicles, and right-to-use lease assets, along with food service equipment of \$46,038, Table 4 shows fiscal 2023 balances compared to 2022.

Table 6  
Capital Assets (Net of Depreciation) at June 30

	2023	2022
Land	\$ 29,083	\$ 29,083
Site Improvements	577,789	593,932
Building and Improvements	8,961,320	8,709,271
Equipment	571,406	457,594
Right-to-Use Lease Assets	33,773	55,635
	\$ 10,173,371	\$ 9,845,515

Overall capital assets increased by \$327,856 from fiscal year 2022 to fiscal year 2023. Increases were \$18,595 in other site improvements, \$685,057 in building and building improvements, \$209,746 in equipment and none in right-to-use lease adjustments, as well as a depreciation expense of \$585,542.

## **Debt Administration**

At June 30, 2023, the School District had \$4,337,755 as outstanding debt, of which \$722,083 was for compensated absences, including \$29,417 in the enterprise fund, \$3,551,365 in the Net Pension Liabilities, and \$34,890 in the right-to-use lease liability.

At June 30, 2023, the School District's overall legal debt margin was \$18,007,685, all of which constitutes unvoted debt permitted by statute.

## **For the Future**

The Runnemede School District is presently in good financial condition. The Board of Education holds their annual school board election in November annually and agreed to a tax levy of zero percent for the 22-23 school year. While this has not been done previously, the board was able to do this with the additional federal funding provided through the pandemic.

It is the responsibility of the governing body to make decisions that are consistently centered on student achievement and preservation of the asset while remaining mindful of the taxpayer. The District will continue to pursue new ways to decrease spending where possible to ensure that funding is adequate to ensure attainment of the goal of quality educational programs for its students. This will be accomplished by maintaining exemplary practices in financial planning, budgeting and maintaining financial controls that are in accordance with state statutes and guidelines.

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

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the Money it receives. If you have questions about this report or need additional information contact, Dr. Sean McCarron, Business Administrator/Board Secretary at Runnemede Board of Education, 24 N. Black Horse Pike, 2nd Floor, Runnemede, New Jersey 08078.

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT WIDE FINANCIAL STATEMENTS**

The Statement of Net Position and the Statement of Activities display information about the District.

These statements include the financial activities of the overall District, except for fiduciary activities.

Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

**RUNNEMEDE BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	<u>Governmental</u> <u>Activities</u>	<u>Business-type</u> <u>Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 17,862	\$ 307,460	\$ 325,322
Receivables, Net	747,314	12,261	759,575
Restricted Assets:			
Cash and Cash Equivalents	2,740,272		2,740,272
Inventory		3,833	3,833
Capital Assets, Net (Note 6):	10,130,554	42,817	10,173,371
Total Assets	<u>13,636,002</u>	<u>366,371</u>	<u>14,002,373</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Pension Outflows	859,077		859,077
<b>LIABILITIES</b>			
Accounts Payable	59,432		59,432
Other Liabilities	37,897		37,897
Unearned Revenue	1,471	4,788	6,259
Non-current Liabilities (Note 7):			
Due Within One Year	60,017		60,017
Due Beyond One Year	4,248,321	29,417	4,277,738
Total Liabilities	<u>4,407,138</u>	<u>34,205</u>	<u>4,441,343</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Pension Inflows	599,794		599,794
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	10,095,664	42,817	10,138,481
Restricted for:			
Capital Reserve	2,236,392		2,236,392
Maintenance Reserve	692,428		692,428
Unemployment Compensation	153,801		153,801
Student Activities	17,862		17,862
Excess Surplus	273,589		273,589
Unrestricted (Deficit)	(3,981,589)	289,349	(3,692,240)
Total Net Position	<u>\$ 9,488,147</u>	<u>\$ 332,166</u>	<u>\$ 9,820,313</u>

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

**RUNNEMEDE BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 5,208,309		\$ 1,359,520	\$ (3,848,789)	\$	\$ (3,848,789)
Special Education	953,824			(953,824)		(953,824)
Other Instruction	478,748			(478,748)		(478,748)
Support Services:						
Tuition	273,679			(273,679)		(273,679)
Student & Instruction Related Services	3,132,881	53,000	652,016	(2,427,865)		(2,427,865)
General and Business Administrative Service	510,470			(510,470)		(510,470)
School Administrative Services	405,892			(405,892)		(405,892)
Central Services	321,529			(321,529)		(321,529)
Admin Info Tech	16,642			(16,642)		(16,642)
Plant Operations and Maintenance	1,161,569			(1,161,569)		(1,161,569)
Pupil Transportation	234,380			(234,380)		(234,380)
Employee Benefits	5,118,874		1,395,339	(3,723,535)		(3,723,535)
Unallocated Depreciation	465,622			(465,622)		(465,622)
<b>Total Governmental Activities</b>	<b>18,282,419</b>	<b>53,000</b>	<b>3,406,875</b>	<b>(14,822,544)</b>		<b>(14,822,544)</b>
Business-type Activities:						
Food Service	338,032	96,909	243,994		2,871	2,871
Before and After Care	267,097	405,606			138,509	138,509
<b>Total Business-type Activities</b>	<b>605,129</b>	<b>502,515</b>	<b>243,994</b>		<b>141,380</b>	<b>141,380</b>
<b>Total Primary Government</b>	<b>\$ 18,887,548</b>	<b>\$ 555,515</b>	<b>\$ 3,650,869</b>	<b>\$ (14,822,544)</b>	<b>\$ 141,380</b>	<b>\$ (14,681,164)</b>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 7,654,238		\$ 7,654,238
Federal, State and Local Aid Not Restricted				8,103,997		8,103,997
Tuition and Transportation Fees from other LEA'S				32,973		32,973
Investment Earnings				8,980	\$ 271	9,251
Miscellaneous Income				286,376		286,376
Transfers - To Charter School				(39,124)		(39,124)
<b>Total General Revenues, Special Items, Extraordinary Items and Transfers</b>				<b>16,047,440</b>	<b>271</b>	<b>16,047,711</b>
<b>Change in Net Position</b>				<b>1,224,896</b>	<b>141,651</b>	<b>1,366,547</b>
Net Position—Beginning				8,263,251	190,515	8,453,766
Net Position—Ending				<b>\$ 9,488,147</b>	<b>\$ 332,166</b>	<b>\$ 9,820,313</b>

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



## **FUND FINANCIAL STATEMENTS**

The Individual Fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund.

**GOVERNMENTAL FUNDS**

**RUNNEMEDE BOARD OF EDUCATION**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$	\$ 17,862	\$ 17,862
Restricted Cash and Cash Equivalents	2,740,272		2,740,272
Interfund Accounts Receivable	247,796		247,796
State Aid Receivable	572,593		572,593
Federal Aid Receivable		167,921	167,921
Other Accounts Receivable	6,800		6,800
<b>Total Assets</b>	<b>\$ 3,567,461</b>	<b>\$ 185,783</b>	<b>\$ 3,753,244</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	\$ 47,931	\$	\$ 47,931
Interfund Accounts Payable		247,796	247,796
Reserve for Flexible Spending	11,501		11,501
Due to State of New Jersey		31,517	31,517
Payroll Deductions Payable	6,380		6,380
Unearned Revenue		1,471	1,471
<b>Total Liabilities</b>	<b>65,812</b>	<b>280,784</b>	<b>346,596</b>
Fund Balances:			
Restricted For:			
Excess Surplus	234,008		234,008
Excess Surplus - Designated for			
Subsequent Year's Expenditures	39,581		39,581
Maintenance Reserve Account	492,428		492,428
Maintenance Reserve Designated for			
Subsequent Year's Expenditures	200,000		200,000
Capital Reserve Account	1,211,392		1,211,392
Capital Reserve Designated for			
Subsequent Year's Expenditures	1,025,000		1,025,000
Reserve for Unemployment	153,801		153,801
Student Activities		17,862	17,862
Assigned To:			
Year-End Encumbrances	18,283		18,283
Designated for Subsequent Year's Expenditures	452,662		452,662
Unassigned, Reported In:			
General Fund Balance (Deficit)	(325,506)		(325,506)
Special Revenue Fund Balance (Deficit)		(112,863)	(112,863)
<b>Total Fund Balances (Deficit)</b>	<b>3,501,649</b>	<b>(95,001)</b>	<b>3,406,648</b>
<b>Transfer from Enterprise Fund</b>	<b>\$ 3,567,461</b>	<b>\$ 185,783</b>	<b>\$</b>

Amounts reported for *governmental activities* in the Statement of Net Assets (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$16,365,469 and the accumulated depreciation is \$6,234,915 (See Note 6)	10,130,554
Deferred Outflow of Resources - Deferred Pension Contribution.	859,077
Deferred Inflows of Resources - Pension Actuarial Gains.	(599,794)
Long Term Net Pension Liability	(3,551,365)
Long-term liabilities, including bonds payable and Compensated Absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7).	(756,973)
Net Position of Governmental Activities \$	9,488,147

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

**RUNNEMEDE BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>REVENUES</b>			
Local Sources:			
Local Tax Levy	\$ 7,654,238	\$	\$ 7,654,238
Tuition from Other LEA'S	32,755		32,755
Transportation from Other LEA'S	218		218
Interest Earned on Investments	8,439		8,439
Interest Earned on Capital Reserve Funds	541		541
Local Sources		53,000	53,000
Miscellaneous	233,376		233,376
Total - Local Sources	7,929,567	53,000	7,982,567
State Sources	10,228,594	1,322,912	11,551,506
Federal Sources	50,690	1,169,053	1,219,743
Total Revenues	18,208,851	2,544,965	20,753,816
<b>EXPENDITURES</b>			
Current:			
Regular Instruction	3,821,652	1,359,520	5,181,172
Special Education Instruction	953,824		953,824
Other Instruction	478,748		478,748
Support Services:			
Tuition	273,679		273,679
Student & Instruction Related Services	2,480,865	652,016	3,132,881
General Administrative Services	492,156		492,156
School Administrative Services	405,892		405,892
Central Services	321,529		321,529
Admin Info Tech	16,642		16,642
Plant Operations and Maintenance	1,145,578		1,145,578
Pupil Transportation	213,829		213,829
Employee Benefits	6,406,956	300,000	6,706,956
Capital Outlay	362,974	550,423	913,397
Total Expenditures	17,374,324	2,861,959	20,236,283
Excess (Deficiency) of Revenues Over Expenditures	834,527	(316,994)	517,533
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer to Preschool Program	(320,000)	320,000	
Transfers to Charter School	(39,124)		(39,124)
Total Other Financing Sources and Uses	(359,124)	320,000	(39,124)
Net Change in Fund Balances	475,403	3,006	478,409
Fund Balance—July 1 (Deficit)	3,026,246	(98,007)	2,928,239
Fund Balance—June 30 (Deficit)	\$ 3,501,649	\$ (95,001)	\$ 3,406,648

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

RUNNEMEDE BOARD OF EDUCATION  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023

<b>Total Net Change in Fund Balances - Governmental Funds (from B-2)</b>	<b>\$</b>	<b>478,409</b>
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation expense	\$	(582,320)
Capital outlays		913,397
		331,077
<p>Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and differed inflows/outflows related to pension changed during the period.</p>		
		415,955
<p>Repayment of right-to-use lease 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.</p>		
		34,705
<p>In the Statement of Activities, certain operating expenses, e.g. compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).</p>		
		(35,250)
		1,224,896
<b>Change in Net Position of Governmental Activities (A-2)</b>	<b>\$</b>	<b>1,224,896</b>

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

**PROPRIETARY FUNDS**

**RUNNEMEDE BOARD OF EDUCATION**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2023**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Food Service</b>	<b>Before and After Care</b>	<b>Totals</b>
<b>ASSETS</b>			
Current Assets:			
Cash	\$ 103,592	\$ 203,868	\$ 307,460
Accounts Receivable	11,137	1,124	12,261
Interfund Receivable	5,000		5,000
Inventory	3,833		3,833
<b>Total Current Assets</b>	<b>123,562</b>	<b>204,992</b>	<b>328,554</b>
Fixed Assets:			
Equipment	55,311		55,311
Accumulated Depreciation	(12,494)		(12,494)
<b>Total Fixed Assets</b>	<b>42,817</b>		<b>42,817</b>
<b>Total Assets</b>	<b>166,379</b>	<b>204,992</b>	<b>371,371</b>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable			
Interfund Payable		5,000	5,000
Unearned Revenue	4,463	325	4,788
<b>Total Current Liabilities</b>	<b>4,463</b>	<b>5,325</b>	<b>9,788</b>
Non-Current Liabilities			
Compensated Absences	24,163	5,254	29,417
<b>Total Liabilities</b>	<b>28,626</b>	<b>10,579</b>	<b>39,205</b>
<b>NET POSITION:</b>			
Invested in Capital Assets Net of Related Debt	42,817		42,817
Unrestricted	94,936	194,413	289,349
<b>Total Net Position</b>	<b>\$ 137,753</b>	<b>\$ 194,413</b>	<b>\$ 332,166</b>

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

**RUNNEMEDE BOARD OF EDUCATION**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Business-type Activities - Enterprise Fund		
	<u>Food Service</u>	<u>Before and After Care</u>	<u>Total Enterprise</u>
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$	\$	\$
Daily Sales - Non-Reimbursable Programs	96,909		96,909
Hire/Retire Bonus		22,617	22,617
Program Fees		382,989	382,989
Total Operating Revenue:	<u>96,909</u>	<u>405,606</u>	<u>502,515</u>
Operating Expenses:			
Salaries & Employee Benefits	136,256	222,620	358,876
Supplies and Materials	8,284	20,219	28,503
Purchased Services	9,306	23,907	33,213
Cost of Sales - Reimbursable Programs	144,587		144,587
Cost of Sales - Non Reimbursable Programs	30,593		30,593
Depreciation	3,221		3,221
Other	5,785	351	6,136
Total Operating Expenses	<u>338,032</u>	<u>267,097</u>	<u>605,129</u>
Operating Income (Loss)	<u>(241,123)</u>	<u>138,509</u>	<u>(102,614)</u>
Non-operating Revenues (Expenses):			
State Sources:			
State School Breakfast Program	921		921
State School Lunch Program	5,504		5,504
Federal Sources:			
National School Lunch Program	145,008		145,008
National School Breakfast Program	47,107		47,107
P-EBT Administrative Cost Reimb	653		653
Supply Chain Assistance Funding	30,216		30,216
Food Distribution Program	14,585		14,585
Interest	271		271
Total Non-operating Revenues (Expenses)	<u>244,265</u>		<u>244,265</u>
Income (Loss) Before Contributions & Transfers	3,142	138,509	141,651
Fixed Asset Adjustment			
Change in Net Position	3,142	138,509	141,651
Total Net Position—Beginning	<u>134,611</u>	<u>55,904</u>	<u>190,515</u>
Total Net Position—Ending	<u>\$ 137,753</u>	<u>\$ 194,413</u>	<u>\$ 332,166</u>

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



**RUNNEMEDE BOARD OF EDUCATION**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

	Business-type Activities		
	Enterprise Funds		
	Food Service	Before and After Care	Total Enterprise
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 96,909	\$ 405,606	\$ 502,515
Payments to Employees	(136,256)	(226,610)	(362,866)
Payments to Suppliers	(139,629)	(39,283)	(178,912)
Net Cash Provided by (used for) Operating Activities	(178,976)	139,713	(39,263)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
State Sources	6,425		6,425
Federal Sources	222,984		222,984
Net Cash Provided by (used for) Non-capital Financing Activities	229,409		229,409
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of Capital Assets			
Transfer to General Fund for Purchase of Fixed Asset			
Net Cash Provided by (used for) Capital and Related Financing Activities			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and Dividends	271		271
Net Cash Provided by (used for) Investing Activities	271		271
Net Increase (Decrease) in Cash and Cash Equivalents	50,704	139,713	190,417
Balances—Beginning of Year	52,888	64,155	117,043
Balances—End of Year	\$ 103,592	\$ 203,868	\$ 307,460
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</b>			
Operating Income (Loss)	\$ (241,123)	\$ 138,509	\$ (102,614)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities			
Depreciation and Net Amortization	3,221		3,221
Food Distribution Program	14,585		14,585
(Increase)/Decrease in Accounts Receivable, Net	34,061	6,719	40,780
(Increase)/Decrease in Interfund Receivable			
(Increase)/Decrease in Inventory	3,840		3,840
Increase/(Decrease) in Interfund Payable			
Increase/(Decrease) in Accounts Payable			
Increase/(Decrease) in Deferred Revenue	549	(1,525)	(976)
Increase/(Decrease) in Compensated Absences	5,891	(3,990)	1,901
Total Adjustments	62,147	1,204	63,351
Net Cash Provided by (used for) Operating Activities	\$ (178,976)	\$ 139,713	\$ (39,263)

Noncash Investing, Capital, and Financing Activities:

During the year, the District received \$9,594 of food commodities from the U.S. Department of Agriculture

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 1. DESCRIPTION OF SCHOOL DISTRICT AND REPORTING ENTITY**

**A. Description of Reporting Entity:**

The Borough of Runnemede School District (School District) is a Type II School District located in the County of Camden, State of New Jersey and covers an area of approximately two square miles. As a Type II School District, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the School District is to provide educational services for all of Runnemede's students in grades K through 8. Student in grades 9 through 12 attend the Black Horse Pike Regional High School District. The Runnemede School District has an approximate enrollment at June 30, 2023 of 819 students.

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

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

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

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**New Accounting Standards:**

Accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 96 – Subscription-Based Information Technology Arrangements was effective after June 15, 2022 and was considered by Management.
- GASB Statement No. 99 - *Omnibus 2022*: The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Management is evaluating the potential impact of the adoption of GASB 99 on the School District's financial statements.
- GASB Statement No. 100 - *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*: The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Management is evaluating the potential impact of the adoption of GASB 100 on the School District's financial statements.
- GASB Statement No. 101 - *Compensated Absences*: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Management is evaluating the potential impact of the adoption of GASB 101 on the School District's financial statements.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation:**

The financial statements of the Board of Education (Board) of the Runnemeade School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 to its governmental funds, provided that they do not conflict with or contradict GASB pronouncements. The more significant of the Board's accounting policies are described below.

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

In June 1999, the Governmental Accounting Standards Board (GASB), unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. This Statement provides for the most significant change in financial reporting over twenty years and was scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments).

In addition, the School District has implemented GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus*, Statement No. 38, *Certain Financial Statement Note Disclosures* and GASB No. 54 *Fund Balance Reporting and Governmental Fund Type Descriptions*.

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

**District-Wide Statements** - The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. Eliminations have been made to minimize the double counting of internal activities. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**A. Basis of Presentation (Cont'd):**

**B. Fund Accounting:**

The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

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

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

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenues from the State and Federal Government, other than major capital projects, debt service, or the enterprise funds and local appropriations that are legally restricted to expenditures for specified purposes.

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by Proprietary Funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election. The School District has open receivables for three completed NJSDA Projects in the Capital Projects Fund.

**Debt Service Fund**- The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general-long-term debt principal, interest and related costs.

**Permanent Fund**- The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings and not principal may be used for purposes that support the School District's programs, that is, for the benefit of the school district or its students. The School District does not maintain a Permanent Fund.

**PROPRIETARY FUNDS** - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**B. Fund Accounting (Cont'd):**

**Enterprise Funds** - These funds are used to account for operations:

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

**Food Service Fund** - The School District's only enterprise funds are the Food Service Fund, which accounts for the financial transactions related to the food service operations of the School District.

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

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

Food Service Fund Equipment	12 Years
Light Trucks and Vehicles	4 Years

**FIDUCIARY FUNDS** - Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds (i.e. payroll and student activities). They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The following is a description of the Fiduciary Funds of the School District:

**Expendable Trust Fund**- An Expendable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expendable Trust Funds account for assets where both the principal and interest may be spent. The Unemployment Compensation Insurance Fund is an Expendable Trust Fund.

**Nonexpendable Trust Fund**- A Nonexpendable Trust Fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal. The District does not maintain a Nonexpendable Trust Fund.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**C. Basis of Accounting and Measurement Focus:**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

*The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

**Revenues – Exchange and Non-exchange Transactions:**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On 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.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

With the exception of the restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**D. Basis of Accounting (Cont'd):**

**Revenues – Exchange and Non-exchange Transactions (Cont'd):**

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the resources are provided to the School District on a reimbursement basis. The restricted formula aids (i.e. Demonstrably Effective Program Aid and Instructional Supplement Program Aid) are recorded in the special revenue fund in accordance with the Audit Program promulgated by the New Jersey Department of Education which requires that these grants be realized in an amount equal to program expenditures.

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

**Expenses/Expenditures:**

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

**E. Lease Acquisition Costs:**

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will be expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2023.

**F. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds, which are submitted to the county office. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012 and to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any.

Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2 (f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**F. Budgets/Budgetary Control (Cont'd):**

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

Exhibit C-3 presents a reconciliation of the general fund and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the General Fund Budgetary Comparison schedule and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows the modified accrual basis, with the exception of the recognition policy for the last state aid payment.

**G. Encumbrance Accounting:**

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

Open encumbrances in the special revenue fund, for which the School District has received advances, are reflected in the balance sheet as unearned revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**H. Cash, Cash Equivalents and Investments:**

Cash and cash equivalents include petty cash, change funds, cash in banks and highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest.

Investments are stated at cost, or amortized cost, which approximates market. The Board classifies U.S. Treasury with Agency obligations and 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 state at cost. All other investments would be stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions of which they may invest. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey School Districts as follows:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
- c. Bonds of other obligations of the School District.

School Districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund. As of June 30, 2023 the District had no funds on deposit with the New Jersey Cash Management.



**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**H. Cash, Cash Equivalents and Investments (Cont'd):**

**Deposits:**

N.J.S.A. 17:9-41, et seq. establishes requirements for the security of deposits of governmental units. The statutes require that School Districts deposit public funds in public depositories secured in accordance with the Governmental Unit Deposit Protection Act, which is a multiple financial institution collateral pool enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution 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.

Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office on the state of New Jersey, the deposits of which are federally insured.

All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds on deposit, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to Governmental Units.

The School District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the Governmental Unit Deposit Protection Act and approves a list of authorized depository institutions based on an evaluation of solicited responses and presentation of GUDPA certifications provided by the financial institutions.

**I. Tuition Receivable:**

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

**J. Tuition Payable:**

Tuition charges for the fiscal years ended June 30, 2023, 2022 and 2021 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

**K. Inventories:**

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

On District-Wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expensed when used.

The Food Service inventory, as of June 30, 2023 consisted of \$1,463 in purchased food, \$28 in commodity food and \$2,342 in supplies for a total of \$3,833.

**L. Prepaid Expenses:**

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

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**M. Short-Term Interfund Receivables/Payables:**

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as interfunds receivable and/or interfunds payable.

**N. Restricted Assets:**

Assets are reported as restricted when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors or laws of other governments or imposed by enabling legislation. Restricted assets include bond proceeds to be used for capital construction and amounts set aside to create a reserve for future capital projects.

**O. Deferred Charges - Bond Issue Costs:**

On the District-wide financial statements, bond issue costs were previously deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. In governmental funds, these costs are reported as expenditures when the related liability is incurred. Unearned revenue arises when assets are received or recognized before the appropriate revenue recognition criteria have been satisfied. Beginning after the 2013-14 year the District will expense bond issue costs when incurred.

**P. Capital Assets:**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the District-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the District-Wide Statement of Net Position and the Proprietary Fund Statement of Net Position.

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

Capital assets are depreciated in the District-wide financial statements using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Building improvements & portable classroom	20 -50
Land improvements	20
Furniture	20
Maintenance equipment	15
Audio visual equipment	10
Office equipment	5 – 10
Computer equipment	5 – 10

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Q. Unearned Revenue:**

Unearned revenue arises when assets are received or recognized before the appropriate revenue recognition criteria have been satisfied. This includes expenditure encumbrances in special revenue fund.

**R. Operating Revenues and Expenses:**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund

**S. Compensated Absences:**

The School District accounts for compensated absences (e.g. unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered and not contingent on a specific event outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place. The entire compensated absence liability is reported on the District-Wide financial statements.

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

**T. Accrued Liabilities and Long-term Obligations:**

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

**U. Net position**

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

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.
- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by credits, grantors, or laws or regulations of their governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The school district applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**V. Fund balances - Governmental Funds**

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

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

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

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

**W. Fund Balance Reserves:**

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, legally restricted appropriations, excess surplus and capital reserve program.

**X. Interfund Activity:**

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. 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 non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are presented on the financial statements.

**Y. Management Estimates:**

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Z. Allocation of Indirect Expenses:**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are not reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**AA. Extraordinary and Special Items:**

Extraordinary items are transactions or events that are unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

**AB. Comparative Data/Reclassifications:**

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**AC. Tax assessments and property taxes:**

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

As of June 30, 2023, cash and cash equivalents in the fund financial statements of the District consisted of the following:

		<u>Cash and</u>
		<u>Equivalents</u>
Checking Accounts	\$	3,065,594
Cash with Fiscal Agent		
Total	\$	<u>3,065,594</u>

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS – (CONT'D)**

**Custodial Credit Risk**- Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be recovered. Although the District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. The District does not place a limit on the amount that may be invested in any one issuer. As of June 30, 2023, the District's bank balance of \$3,290,760 was insured or collateralized as follows:

Unrestricted cash:		
Governmental funds, Balance Sheet	B-1	\$ 17,862
Enterprise funds, Statement of Net Position	B-4	307,460
Restricted cash:		
Governmental funds, Balance Sheet	B-1	<u>2,740,272</u>
Total cash		<u>\$ 3,065,594</u>
Insured by Depository Insurance	\$	250,000
Uninsured and collateralized by		
GUDPA by pledging financial institutions		<u>3,040,760</u>
Total	\$	<u>3,290,760</u>

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

**Credit Risk** - Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

**NOTE 4. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Runnemede Board of Education on June 30, 2008 for accumulating 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 reflected in the School District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes 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. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Capital Reserve Account by Board Resolution in June 2023.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 4. CAPITAL RESERVE ACCOUNT (CONT'D)**

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	\$	1,410,851
2022-2023 Addition		1,025,000
Unspent Funds Returned		
Interest Earnings		541
		<hr/>
		2,436,392
Less: Whithdrawals 2022-23		(200,000)
		<hr/>
Ending Balance, June 30, 2023	\$	<u>2,236,392</u>

Of this balance, \$1,025,000 was utilized in the 2023-2024 budget.

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects at June 30, 2023 is \$7,389,180. There were no withdrawals from the capital reserve for use in a DOE approved facilities projects during the year under audit. Consistent with the District's Long-Range Facilities Plan, projects are planned in the near future.

**NOTE 5. MAINTENANCE RESERVE**

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	\$	692,428
2022-2023 Addition		200,000
Unspent Funds Returned		
Interest Earnings		
		<hr/>
		892,428
Less: Whithdrawals 2022-23		(200,000)
		<hr/>
Ending Balance, June 30, 2023	\$	<u>692,428</u>

The balance in the Maintenance Reserve as of June 30, 2023 is within the maximum amount shown in the 2023 budget. The maximum Reserve was \$692,428.

Of this balance, \$200,000 was utilized in the 2023-2024 budget.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 6. CAPITAL ASSETS**

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

	<u>Beginning Balance 7/1/22</u>	<u>Additions</u>	<u>Adjustment/ Retirements</u>	<u>Ending Balance 6/30/23</u>
<b>Governmental Activities:</b>				
<b>Capital Assets that are not being Depreciated:</b>				
Land	\$ 29,083	\$	\$	\$ 29,083
Construction in Progress				
<b>Total Capital Assets not being Depreciated</b>	<b>\$ 29,083</b>	<b>\$</b>	<b>\$</b>	<b>\$ 29,083</b>
<b>Capital Assets being Depreciated and Amortized</b>				
Land Improvements	1,024,574	18,595		1,043,169
Building and Building Improvements	12,901,932	685,057		13,586,989
Machinery and Equipment	1,327,616	209,746		1,537,362
Right-to-Use Lease Assets	228,426		(59,560)	168,866
<b>Totals at Historical Cost</b>	<b>15,482,548</b>	<b>913,398</b>	<b>(59,560)</b>	<b>16,336,386</b>
<b>Less Accumulated Depreciation and Amortization</b>				
Land Improvements	(430,642)	(34,738)		(465,380)
Building and Improvements	(4,192,661)	(433,008)		(4,625,669)
Equipment	(916,060)	(92,713)		(1,008,773)
Right-to-Use Lease Assets	(172,791)	(21,862)	59,560	(135,093)
<b>Total Accumulated Depreciation and Amortization</b>	<b>(5,712,154)</b>	<b>(582,321)</b>	<b>59,560</b>	<b>(6,234,915)</b>
<b>Total Capital Assets being Depreciated and Amortized, Net of Accumulated Depreciation and Amortization</b>	<b>9,770,394</b>	<b>331,077</b>		<b>10,101,471</b>
<b>Government Activities Capital Assets, Net</b>	<b>\$ 9,799,477</b>	<b>\$ 331,077</b>	<b>\$</b>	<b>\$ 10,130,554</b>
	To A-1			To A-1
Business-type Activities - Equipment	\$ 55,311			\$ 55,311
Less Accumulated Depreciation	(9,273)	(3,221)		(12,494)
<b>Business-type Activities Capital Assets, Net</b>	<b>\$ 46,038</b>	<b>\$ (3,221)</b>	<b>\$</b>	<b>\$ 42,817</b>

Depreciation Expense in the amount of \$ was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Regular Instruction	\$ 27,137
Plant Operations	50,696
Central Administration	18,314
Transportation	20,551
Unallocated	465,623
	<b>\$ 582,321</b>



**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 7. LONG-TERM OBLIGATIONS**

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

	Beginning Balance 7/1/22	Additions	Reductions	Ending Balance 6/30/20223	Amounts Due Within One Year	Long-Term Portion
Governmental Activities:						
Bonds Payable:						
General Obligation Debt	\$	\$	\$	\$	\$	\$
Other Liabilities:						
Right-to-Use Lease Liability	69,595		34,705	34,890	33,142	1,748
Net Pension Liability	2,670,893	880,472		3,551,365		3,551,365
Compensated Absences Payable	686,833	35,250		722,083	26,875	695,208
	3,427,321	915,722	34,705	4,308,338	60,017	4,248,321
Business-Type Activities:						
Compensated Absences Payable	27,516	1,901		29,417		29,417
Total Long-Term Obligations	\$ 3,454,837	\$ 917,623	\$ 34,705	\$ 4,337,755	\$ 60,017	\$ 4,277,738

**A. Bonds Payable**-Bonds and loans are authorized in accordance with State law by the voters of the School District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. There were no principal and interest due on bonds outstanding as of June 30, 2023.

**B. Bonds Authorized but Not Issued- As of June 30, 2023** None.

**C. Capital Leases** None.

**NOTE 8. OPERATING LEASES**

The School is a lessee for various copiers. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

At the commencement of a lease, the School determines based on the criteria dictated in GASB Statement No. 87 – Leases, if the lease is a finance purchase or a right to use lease liability. Then the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the School capital assets as land, land improvements, buildings and improvements or furniture and equipment.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 8. OPERATING LEASES (CONT'D)**

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to use lease asset is reported with the School's capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is utilizing the treasury bill rate (corresponding to length of lease) in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position. The District has determined all of their copier lease agreements qualify as right-to-use assets.

At June 30, 2023, the District had operating lease agreements with payments made in the 2022-2023 school year for a mail machine and a 5-year lease agreement with the Borough of Runnemede with annual payments of \$1,800 and \$35,000 respectively. The future minimum lease payments are as follows:

Year Ending June 30,	Amount
2024	36,800
2025	1,800
Total	\$ 38,600

**NOTE 9. PENSION PLANS**

**Description of Plans** - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at <https://www.nj.gov/treasury/pensions/financial-reports.shtml>.

**Public Employees' Retirement System**

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

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.

The following represents the membership tiers for PERS:

Tier	Definition
1	Members who are 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.

**Contributions** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2021 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2023 were \$145,748. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2023 is 15.98% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2023, and 2022, were \$296,755 and \$264,038 respectively.

The total payroll for the year ended June 30, 2023 was \$9,668,366. Payroll covered by PERS was \$1,943,299 for fiscal year 2023.

**Components of Net Pension Liability** - At June 30, 2023, the District's proportionate share of the PERS net pension liability was \$3,551,365. The net pension liability was measured as of June 30, 2022. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The District's proportion measured as of June 30, 2022 was 0.023532% which was an increase of 0.00099% from its proportion measured as of June 30, 2021.

**Pension Expense and Deferred Outflows/Inflows of Resources** - The District's 2023 PERS pension expense, with respect to GASB 68, was (\$86,484). The District's 2023 deferred outflows of resources and deferred inflows of resources were from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 25,632	\$ 22,604
Changes of assumptions	11,003	531,780
Net difference between projected and actual earnings on pension plan investments	146,988	
Changes in proportion	378,699	45,410
Contributions subsequent to the measurement date	296,755	
<b>Total</b>	<b>\$ 859,077</b>	<b>\$ 599,794</b>

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

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

Year		PERS
2023	\$	(121,697)
2024		(21,383)
2025		8,344
2026		95,514
2027		1,750
Thereafter		
Total	\$	(37,472)

**Additional Information** - Collective Balances at June 30, 2023 and 2022 are as follows:

Year		2023		2022
Collective deferred outflows of resources	\$	859,077	\$	723,348
Collective deferred inflows of resources	\$	599,794	\$	1,760,492
Collective Net Pension Liability	\$	3,551,365	\$	2,670,893
District's Proportion		0.023532%		0.022546%

**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:

	PERS
Investment Rate of Return	7.00%
Salary Increases:	
(Based on Years of Service):	2.75 – 6.55%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

**Long-Term Expected Rate of Return** – In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment 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 rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	PERS Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
Total	100.00%	

**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 on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Public Employees' Retirement System (Cont'd)**

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ <u>4,601,103</u>	\$ <u>3,551,365</u>	\$ <u>2,713,668</u>

**Teachers' Pension and Annuity Fund**

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 that was established in 1955. As under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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 are 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.

**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 share of the collective pension expense associated with the local participating employer.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Teachers' Pension and Annuity Fund (Cont'd)**

**Contributions** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2021. 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. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2023 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$2,149,692 to the TPAF for pension contributions, \$564,719 for post-retirement benefits on behalf of the School, and \$953 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$530,620 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**Components of Net Pension Liability** - At June 30, 2023, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

**Pension Expense** - For the year ended June 30, 2023, the District recognized pension expense of \$724,277 and revenue of \$724,277 for support provided by the State.

**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:

	<b><u>TPAF</u></b>
Investment Rate of Return	7.00%
Salary Increases	
(Based on Years of Service):	2.75 – 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Teachers' Pension and Annuity Fund (Cont'd)**

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

Asset Class	TPAF Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
<b>Total</b>	<b>100.00%</b>	

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



**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 9. PENSION PLANS (CONT'D)**

**Teachers' Pension and Annuity Fund (Cont'd)**

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2022, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	\$ 31,605,159	\$ 26,912,010	\$ 23,037,588
State's Share of the Net Pension Liability	\$ 60,591,896,759	\$ 51,676,587,303	\$ 44,166,559,329

**Defined Contribution Retirement Program (DCRP)**

**The Defined Contribution Retirement Program (DCRP)** is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

Eligibility

1. State or Local Officials who are elected or appointed on or after July 1, 2007
2. Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3. Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4. Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually
5. Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually

**Contributions** – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2023, employee contributions totaled \$19,244 and the District's employer contribution, recognized in pension expense, was \$10,497. There were no forfeitures during the fiscal year.

**Pension Plan Fiduciary Net Position** - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**General Information about the OPEB Plan (Cont'd)**

plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen Retirement System (PFRS), or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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 are the responsibility of the individual local education employers.

**Special Funding Situation**

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

**Total OPEB Liability**

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2022, was \$50,646,462,966. Of this amount, the total OPEB liability attributable to the School District was \$34,522,012. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.06816%. The total OPEB liability for the School District measured as of June 30, 2022 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2022 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

**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. 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:

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

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**Total Nonemployer OPEB Liability (Cont'd)**

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

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 to June 30, 2021.

**Health Care Trend Assumptions**

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

**Discount rate**

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

**Changes in the Total OPEB Liability**

State of New Jersey	<b><u>Total OPEB Liability</u></b>
<b>Balance as of June 30, 2021 Measurement Date</b>	<b>\$ 60,007,650,971</b>
Changes for the year:	
Service Cost	2,770,618,025
Interest	1,342,187,139
Changes of Benefit Terms	0
Differences between Expected and Actual	1,399,200,736
Changes of Assumptions	(13,586,368,097)
Benefit Payments	(1,329,476,059)
Contributions from Members	42,650,252
<b>Net Changes</b>	<b>(9,361,188,004)</b>
<b>Balance as of June 30, 2022 Measurement Date</b>	<b>\$ 50,646,462,967</b>

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

**Sensitivity of Total Nonemployer OPEB Liability to changes in the discount rate:**

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

<b>June 30, 2022</b>		
At 1.00% Decrease 2.54%	At Discount Rate 3.54%	At 1.00% Increase 4.54%
\$ 59,529,589,697	50,646,462,966	43,527,080,995

**Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate:**

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

<b>June 30, 2022</b>		
1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
\$ 41,862,397,291	50,646,462,966	62,184,866,635

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

For the year ended June 30, 2023, the School District recognized OPEB expense of \$782,757. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences Between Expected and Actual Experience	\$ 6,163,549	\$ (10,539,969)
Changes of Assumptions	5,974,886	(11,749,407)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	223,632	(2,443,844)
Contributions Subsequent to the Measurement Date		
Total	\$ 12,362,067	\$ (24,733,220)

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**

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

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Measurement Period Ending June 30,	OPEB
2023	\$ 3,963,299
2024	3,963,299
2025	3,963,299
2026	4,203,589
2027	4,973,350
Thereafter	16,028,450
Total	\$ 37,095,286

**NOTE 11. COMPENSATED ABSENCES**

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

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

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.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to employees. As of June 30, 2023, a liability existed for compensated absences in the governmental fund in the amount \$722,083 and \$26,875 in the business-type fund.

**NOTE 12. DEFERRED COMPENSATION**

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by an outside organization, approved by the School District, 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 School District has very little administrative involvement, performs no investing function, and has no fiduciary responsibility for these plans.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, are solely the property and rights of the participants and are not subject to claims of the School District's creditors. Accordingly, the plan assets are not reported as a part of these financial statements. The plan administrators are as follows:

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Siracusa  
Fidelity Investments

Lincoln Investment Planning  
Vanguard

Midland  
AXA Equitable

**NOTE 13. CONTINGENCIES**

The School District participates in a number of state and federally assisted grant programs. The programs are subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Management believes that the amount from future audits, if any, would not be material.

The School District is dependent on the State of New Jersey for a substantial portion of its operating funds. Due to funding uncertainties at the State level, funding for school districts may be reduced. The ultimate effect of this possible reduction in funding on the School District's future operation is not yet determinable.

**NOTE 14. RISK MANAGEMENT**

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

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

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

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

**New Jersey Unemployment Compensation Insurance**

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

The following is a summary of School District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two years:

<b><u>Fiscal Year</u></b>	<b><u>District Contributions</u></b>	<b><u>Employee Contributions</u></b>	<b><u>Amount Reimbursed</u></b>	<b><u>Ending Balance</u></b>
2022-2023	\$	\$ 27,512	\$ 27,512	\$ 153,801
2021-2022		21,451	4,119,	153,801
2020-2021		22,379	15,852	136,469

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 15. INTERFUND RECEIVABLES AND PAYABLES**

<u>Fiscal Year</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 247,796	\$
Special Revenue Fund		247,796
Before & After Care Fund		5,000
Food Service	5,000	
	<hr/>	<hr/>
Total	\$ <u>252,796</u>	\$ <u>252,796</u>

**NOTE 16. FUND BALANCE APPROPRIATED**

**General Fund** - Of the \$3,501,649 General Fund balance at June 30, 2023, \$18,283 is assigned for Encumbrances; \$2,236,392 has been restricted in the Capital Reserve Account, of which \$1,025,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2024; \$153,801 is reserved for Unemployment Compensation; \$692,428 is restricted for Maintenance Reserve, of which \$200,000 has been appropriated and also included as anticipated revenue for the year ending June 30, 2024 \$273,589 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which \$39,581 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024, \$452,662 has been assigned, appropriated and included as anticipated revenue for the year ending June 30, 2023; and there is a Deficit in unreserved and undesignated fund balance of (\$325,506).

**Debt Service Fund** – There is no fund balance in the Debt Service Fund at June 30, 2023.

**NOTE 17. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1,701), the designation for Reserved 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 reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$273,589, of which \$39,581 was budgeted in the 2023-2024 budget and \$234,008 must be budgeted in the 2024-2025 budget.

**NOTE 18. DEFICIT FUND BALANCES**

The District has a deficit in Unassigned fund balance of (\$325,506) in the General Fund and (\$112,863) in the Special Revenue Fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budgeted purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e. if one government recognizes as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable.

Due to the timing difference of recording the last state aid payment, the deficit in the General Fund balance does not alone indicate that the district is facing financial difficulties.

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 18. DEFICIT FUND BALANCES (CONT'D)**

Pursuant to N.J.S.A.18A:22-44.2, any negative unreserved, undesignated general fund and special revenue fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year is not considered in violation of New Jersey statute and regulation nor in need of corrective action.

The District's general fund deficit is less than the last state aid payment is \$644,973 and the unassigned special revenue fund deficit is equal to the last state aid payment of \$112,863.

**NOTE 19. RECEIVABLES**

Receivables at June 30, 2023 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Receivables:</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Proprietary Funds</u>
Federal	\$	\$ 167,921	\$ 10,792
State	572,593		345
Other	6,800		1,124
<b>Totals</b>	<b>\$ 579,393</b>	<b>\$ 167,921</b>	<b>\$ 12,261</b>

**NOTE 20. LITIGATION**

The District is not involved in any lawsuit incidental to its operations and the administration and legal counsel are not aware of any matters pending or threatened, which are likely to have a material adverse effect on the financial position of the District.

**NOTE 21. TAX ABATEMENT**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements.

However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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



**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**NOTE 22. SUBSEQUENT EVENTS**

There were no other events noted requiring disclosure between the year-end and November 24, 2023, the date of the audit report.

**End of Notes to Financial Statements**

**REQUIRED SUPPLEMENTARY INFORMATION – PART II**

## **BUDGETARY COMPARISON SCHEDULES**

**RUNNEMEDE BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 7,654,238		\$ 7,654,238	\$ 7,654,238	
Tuition From Other LEAs	24,000		24,000	32,755	\$ 8,755
Transportation Fees From Other LEAs	5,000		5,000	218	(4,782)
Interest on Investments				8,439	8,439
Interest Earned on Capital Reserve	262		262	541	279
Interest Earned on Maintenance Reserve	279		279		(279)
Unrestricted Restricted Miscellaneous Revenues	2,000		2,000		(2,000)
Miscellaneous		\$ 68,000	68,000	233,376	165,376
	7,685,779	68,000	7,753,779	7,929,567	175,788
State Sources:					
Equalization Aid	5,566,026		5,566,026	5,566,026	
Special Education Aid	481,898		481,898	481,898	
School Choice	92,856		92,856	92,856	
Transportation Aid	166,787		166,787	166,787	
Security Aid	175,149		175,149	175,149	
Extraordinary Aid	200,000	285,780	485,780	485,780	
Non-Public Transportation Aid		3,120	3,120	3,120	
Homeless Tuition				9,462	9,462
Maintenance of Equity Aid		27,380	27,380	27,380	
On-behalf Pension Contribution				2,149,692	2,149,692
On-behalf TPAF Post Retirement Medical Contribution				564,719	564,719
On-behalf TPAF Long-Term Disability Contribution				953	953
Reimbursement TPAF Social Security				530,620	530,620
Total - State Sources	6,682,716	316,280	6,998,996	10,254,442	3,255,446
Federal Sources:					
Medicaid Reimbursement	24,057		24,057	50,690	26,633
Total - Federal Sources	24,057		24,057	50,690	26,633
<b>TOTAL REVENUES</b>	<b>14,392,552</b>	<b>384,280</b>	<b>14,776,832</b>	<b>18,234,699</b>	<b>3,457,867</b>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	\$ 379,650		\$ 379,650	\$ 368,545	\$ 11,105
Grades 1-5	1,810,761	\$ (24,690)	1,786,071	1,784,160	1,911
Grades 6-8	1,168,672	31,500	1,200,172	1,199,570	602
Home instruction:					
Salaries of Teachers	5,500	3,175	8,675	8,670	5
Purchased Prof.-Ed. Services		19,000	19,000	17,638	1,362
Regular Programs - Undistributed - Instruction:					
Other Salaries for Instruction	144,916	(7,838)	137,078	118,752	18,326
Purchased Prof/Ed Services	80,000	819	80,819	58,639	22,180
Purchased Technical Services	70,000	(5,500)	64,500	40,201	24,299
Other Purchased Services	22,000	6,000	28,000	25,257	2,743
General Supplies	220,810	24,462	245,272	186,174	59,098
Textbooks	50,000		50,000	14,046	35,954
Total Regular Programs	3,952,309	46,928	3,999,237	3,821,652	177,585

**RUNNEMEDE BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
<b>CURRENT EXPENSES: (Continued)</b>					
<b>Special Education</b>					
Multiple Disabilities:					
Salaries of Teachers	\$ 239,972	\$ 5,632	\$ 245,604	\$ 245,604	
Purchased Prof/Ed Services	2,500	4,500	7,000	6,518	\$ 482
General Supplies	7,500	(1,500)	6,000	4,423	1,577
<b>Total Multiple Disabilities</b>	<b>249,972</b>	<b>8,632</b>	<b>258,604</b>	<b>256,545</b>	<b>2,059</b>
Resource Room:					
Salaries of Teachers	691,864	(71,640)	620,224	607,663	12,561
Other Salaries for Instruction	98,015	(10,000)	88,015	88,000	15
General Supplies	1,000	700	1,700	1,616	84
<b>Total Resource Room</b>	<b>790,879</b>	<b>(80,940)</b>	<b>709,939</b>	<b>697,279</b>	<b>12,660</b>
<b>TOTAL SPECIAL EDUCATION</b>	<b>1,040,851</b>	<b>(72,308)</b>	<b>968,543</b>	<b>953,824</b>	<b>14,719</b>
Basic Skills/Remedial-Instruction:					
Salaries of Teachers	334,725	12,270	346,995	341,995	5,000
General Supplies	1,000		1,000	802	198
<b>Total Basic Skills/Remedial-Instruction</b>	<b>335,725</b>	<b>12,270</b>	<b>347,995</b>	<b>342,797</b>	<b>5,198</b>
Bilingual Education-Instruction					
Salaries of Teachers					
<b>Total Bilingual Education-Instruction</b>					
School Sponsored Co-curricular Activities:					
Salaries	40,000	11,580	51,580	51,565	15
Supplies and Materials	5,000	(1,530)	3,470	3,034	436
Other Objects	1,000	4,964	5,964	5,601	363
<b>Total School Sponsored Co-curricular Activities</b>	<b>46,000</b>	<b>15,014</b>	<b>61,014</b>	<b>60,200</b>	<b>814</b>
School Sponsored Athletics:					
Salaries	55,100	9,875	64,975	64,972	3
Supplies and Materials	7,000	(1,035)	5,965	5,678	287
Other Objects	2,500	2,601	5,101	5,101	
<b>Total School Sponsored Athletics</b>	<b>64,600</b>	<b>11,441</b>	<b>76,041</b>	<b>75,751</b>	<b>290</b>
<b>Total Instruction</b>	<b>5,439,485</b>	<b>13,345</b>	<b>5,452,830</b>	<b>5,254,224</b>	<b>198,606</b>
Undistributed Expenditures:					
Instruction:					
Tuition - Other LEAs Within the State - Regular	40,000		40,000	31,670	8,330
Tuition - Co Spec Serv and Regional Day Schools	70,000	(65,380)	4,620		4,620
Tuition to Private Schools for the Disabled Within State	250,000	30,000	280,000	242,009	37,991
<b>Total Undistributed Expenditures - Instruction</b>	<b>360,000</b>	<b>(35,380)</b>	<b>324,620</b>	<b>273,679</b>	<b>50,941</b>

**RUNNEMEDE BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXPENDITURES: (Continued)	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
<b>CURRENT EXPENSES: (Continued)</b>					
Health Services:					
Salaries	\$ 199,673	\$ (1,047)	\$ 198,626	\$ 198,626	
Purch Prof/ Tech Services	22,000	(5,903)	16,097	7,327	\$ 8,770
Other Purchased Services	1,000	538	1,538	1,045	493
Supplies and Materials	5,000	(488)	4,512	3,814	698
<b>Total Health Services</b>	<b>227,673</b>	<b>(6,900)</b>	<b>220,773</b>	<b>210,812</b>	<b>9,961</b>
Speech, OT, PT & Related Services					
Salaries	123,221	(6,149)	117,072	117,072	
Purchased Professional - Educational Services	87,500	(6,265)	81,235	81,235	
Supplies and Materials	2,500	2,090	4,590	4,539	51
<b>Total Related Services</b>	<b>213,221</b>	<b>(10,324)</b>	<b>202,897</b>	<b>202,846</b>	<b>51</b>
Other Support Services - Students - Extra Services:					
Salaries	373,000	(24,385)	348,615	348,614	1
Purchased Prof Ed Services	500,000	218,692	718,692	712,083	6,609
Supplies and Materials	1,500	4,250	5,750	4,939	811
<b>Total Extra Services</b>	<b>874,500</b>	<b>198,557</b>	<b>1,073,057</b>	<b>1,065,636</b>	<b>7,421</b>
Guidance:					
Salaries Other Professionals	143,316		143,316	143,286	30
Supplies and Materials	1,000		1,000	309	691
<b>Total Guidance</b>	<b>144,316</b>		<b>144,316</b>	<b>143,595</b>	<b>721</b>
Child Study Team					
Salaries of Other Professional Staff	392,539	2,417	394,956	394,956	
Salaries Secr. & Clerical Asst.	42,340	3	42,343	42,343	
Purchased Professional - Educational Services	100,000	(17,520)	82,480	69,643	12,837
Supplies and Materials	5,000	10	5,010	4,824	186
Other Objects	1,000	90	1,090	1,058	32
<b>Total Child Study Teams</b>	<b>540,879</b>	<b>(15,000)</b>	<b>525,879</b>	<b>512,824</b>	<b>13,055</b>
Improv. Instruction Services/Other Support					
Salary of Supervisor of Instruction	200,536		200,536	200,169	367
Salaries Secr. & Clerical Asst.	14,230		14,230	12,483	1,747
Purchased Professional and Educational Services	900	(500)	400	240	160
Supplies and Materials	700	500	1,200	1,196	4
Other Objects	1,300		1,300	1,084	216
<b>Total Improvement of Instruction Services/Other Support</b>	<b>217,666</b>		<b>217,666</b>	<b>215,172</b>	<b>2,494</b>
Educational Media Services/School Library:					
Salaries	118,347	(7,000)	111,347	21,109	90,238
Salaries of Technology Coordinators	99,002		99,002	98,887	115
Purchased Professional and Technical Services	5,000	(1,000)	4,000		4,000
Other Purchased Services	100		100	65	35
Supplies and Materials	10,000	1,000	11,000	9,072	1,928
<b>Total Educational Media Services/School Library</b>	<b>232,449</b>	<b>(7,000)</b>	<b>225,449</b>	<b>129,133</b>	<b>96,316</b>

**RUNNEMEDE BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<b>EXPENDITURES: (Continued)</b>	<b>Original Budget</b>	<b>Budget Amendments/ Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance Final to Actual Favourable/ (Unfavourable)</b>
<b>CURRENT EXPENSES: (Continued)</b>					
Undistributed Expenditures:					
Instructional Staff Training Services					
Purchased Professional and Educational Services	\$ 10,000	\$ (47)	\$ 9,953	\$ 300	\$ 9,653
Other Purchased Services		34	34	34	
Supplies and Materials	500	13	513	513	
<b>Total Inst. Staff Training Services</b>	<b>10,500</b>		<b>10,500</b>	<b>847</b>	<b>9,653</b>
Support Services General Administration:					
Salaries	241,726	159	241,885	241,884	1
Legal Services	15,000		15,000	683	14,317
Audit Fees	20,000		20,000	19,416	584
Other Purchased Professional Services	6,000	(159)	5,841	5,767	74
Communication/Telephone	90,000		90,000	77,445	12,555
BOE Other Purchased Prof. Services	6,000		6,000	2,917	3,083
Other Purchased Services	140,000		140,000	130,400	9,600
General Supplies	7,000		7,000	4,669	2,331
Miscellaneous Expenditures	2,450		2,450	2,290	160
BOE Membership Dues and Fees	7,500		7,500	6,685	815
<b>Total Support Services General Administration</b>	<b>535,676</b>		<b>535,676</b>	<b>492,156</b>	<b>43,520</b>
Support Services School Administration:					
Salaries of Principals/Assistant Principals	252,808		252,808	252,515	293
Salaries of Secretarial and Clerical Assistants	136,590	(4,068)	132,522	132,521	1
Other Purchased Services	20,000		20,000	13,324	6,676
Supplies and Materials	10,000		10,000	4,997	5,003
Other Objects	3,000		3,000	2,535	465
<b>Total Support Services School Administration</b>	<b>422,398</b>	<b>(4,068)</b>	<b>418,330</b>	<b>405,892</b>	<b>12,438</b>
Central Services:					
Salaries	237,037	67,850	304,887	296,263	8,624
Purchased Professional Services	16,500		16,500	600	15,900
Purchased Technical Services	12,500	(500)	12,000	10,375	1,625
Miscellaneous Purchased Services	1,000		1,000	341	659
Supplies and Materials	12,000	(2,700)	9,300	9,243	57
Interest on Bond Anticipation Notes (BANs)	5,000		5,000		5,000
Miscellaneous Expenditures	1,500	3,350	4,850	4,707	143
<b>Total Central Services</b>	<b>285,537</b>	<b>68,000</b>	<b>353,537</b>	<b>321,529</b>	<b>32,008</b>
Admin. Info. Technology:					
Purchased Technical Services	17,500		17,500	15,083	2,417
Other Purchased Services	1,000	25	1,025	515	510
Supplies and Materials	3,000	(25)	2,975	1,044	1,931
Other Objects	7,500		7,500		7,500
<b>Total Admin. Info. Technology</b>	<b>29,000</b>		<b>29,000</b>	<b>16,642</b>	<b>12,358</b>
Required Maintenance for School Facilities:					
Salaries	77,000		77,000	76,899	101
Cleaning, Repair and Maintenance Services	70,000	25,204	95,204	80,399	14,805
Lead Testing of Drinking Water	2,500		2,500		2,500
General Supplies	50,000	697	50,697	36,236	14,461
Other Objects	500		500	400	100
<b>Total Required Maintenance for School Facilities</b>	<b>200,000</b>	<b>25,901</b>	<b>225,901</b>	<b>193,934</b>	<b>31,967</b>

**RUNNEMEDE BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
<b>EXPENDITURES: (Continued)</b>					
<b>CURRENT EXPENSES: (Continued)</b>					
Other Operation and Maintenance of Plant-Custodial Services:					
Salaries	\$ 413,725	\$ 2,751	\$ 416,476	\$ 412,051	\$ 4,425
Salaries of Non-Instructional Aides	74,055	14,231	88,286	87,586	700
Purchased Prof & Tech Services	5,000		5,000	2,298	2,702
Cleaning, Repair and Maintenance Services	8,000	(4,000)	4,000	2,429	1,571
Rental of Land & Bldg. Oth than Lease Pur Arrangement	35,000		35,000	35,000	
Other Purchased Property Services	45,000	3,500	48,500	45,737	2,763
Insurance	10,500	(175)	10,325		10,325
Miscellaneous Purchased Services	1,000	4,875	5,875	5,536	339
General Supplies	65,000	(10,614)	54,386	52,409	1,977
Energy (Natural Gas)	100,000		100,000	56,480	43,520
Energy (Electricity)	187,539		187,539	163,597	23,942
Other Objects	200		200	200	
<b>Total Other Operation and Maintenance of Plant - Custodia</b>	<b>945,019</b>	<b>10,568</b>	<b>955,587</b>	<b>863,323</b>	<b>92,264</b>
Undistributed Expenditures - Care & Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	10,000	2,500	12,500	11,801	699
General Supplies	6,000	1,500	7,500	5,646	1,854
<b>Total Care &amp; Upkeep of Grounds</b>	<b>16,000</b>	<b>4,000</b>	<b>20,000</b>	<b>17,447</b>	<b>2,553</b>
Undistributed Expenditures - Security:					
Purchased Professional & Technical Services	40,000	2,639	42,639	42,638	1
Cleaning, Repair and Maintenance Services	12,000	4,250	16,250	14,897	1,353
General Supplies	50,000	(4,475)	45,525	13,339	32,186
<b>Total Security</b>	<b>102,000</b>	<b>2,414</b>	<b>104,414</b>	<b>70,874</b>	<b>33,540</b>
<b>Total Operation and Maintenance of Plant Services</b>	<b>1,263,019</b>	<b>42,883</b>	<b>1,305,902</b>	<b>1,145,578</b>	<b>160,324</b>
Undistributed Expenditures - Student Transportation Services:					
Salaries Pupil Trans (Bet Home/School) - Regular	90,150	41,860	132,010	131,875	135
Management Fee - ESC & CTSA Trans. Program	4,000	(1,716)	2,284	2,224	60
Other Purch. Prof. & Tech Serv.	3,000	2,550	5,550	5,309	241
Rental Payments - School Buses	2,500	(2,150)	350		350
Contracted Services - Aid in Lieu of Payments - Nonpublic	12,000	(748)	11,252	11,242	10
Contracted Services - Aid in Lieu of Payments - Chrtr Sch	2,000	44	2,044	2,044	
Contracted Services - Aid in Lieu of Payments - Choice	3,000	1,088	4,088	4,088	
Contracted Services (Bet Home/School) - Vendor	3,000	10,000	13,000	12,928	72
Contracted Services (Other than Bet Home/School) - Venc	10,000	(9,000)	1,000		1,000
Contracted Services (Sp. Ed. Stds.) - Vendors	15,000	(15,000)			
Contracted Services (Special Ed. Students) - ESCs & CTSE	25,000	1,316	26,316	26,223	93
Transportation Supplies	15,000	3,616	18,616	17,896	720
<b>Total Student Transportation Services</b>	<b>184,650</b>	<b>31,860</b>	<b>216,510</b>	<b>213,829</b>	<b>2,681</b>
Unallocated Employee Benefits:					
Social Security Contributions	181,500	51,566	233,066	233,065	1
Other Retirement Contributions - PERS	325,000	75,000	400,000	350,903	49,097
Unemployment Compensation	20,000		20,000		20,000
Workers Compensation	110,000		110,000	101,203	8,797
Health Benefits	3,015,000	(285,223)	2,729,777	2,449,676	280,101
Tuition Reimbursement	25,000		25,000	16,000	9,000
Other Employee Benefits	50,000		50,000	10,125	39,875
<b>Total Unallocated Employee Benefits</b>	<b>3,726,500</b>	<b>(158,657)</b>	<b>3,567,843</b>	<b>3,160,972</b>	<b>406,871</b>
On-behalf TPAF Pension Contribution				2,149,692	(2,149,692)
On-behalf TPAF Post Retirement Medical Contribution				564,719	(564,719)
On-behalf TPAF Long-Term Disability Contribution				953	(953)
Reimbursement TPAF Social Security				530,620	(530,620)
<b>Total Personal Services - Employee Benefits</b>	<b>3,726,500</b>	<b>(158,657)</b>	<b>3,567,843</b>	<b>6,406,956</b>	<b>(2,839,113)</b>
<b>Total Undistributed Expenditures</b>	<b>9,267,984</b>	<b>103,971</b>	<b>9,371,955</b>	<b>11,757,126</b>	<b>(2,385,171)</b>
Interest Earned on Maintenance Reserve	279		279		279
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	<b>14,707,748</b>	<b>117,316</b>	<b>14,825,064</b>	<b>17,011,350</b>	<b>(2,186,286)</b>



**RUNNEMEDE BOARD OF EDUCATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favourable/ (Unfavourable)
<b>EXPENDITURES: (Continued)</b>					
<b>CAPITAL OUTLAY:</b>					
Regular Programs - Instruction:					
Grades 1-5	\$ 40,000	\$ 83,000	\$ 123,000	\$ 115,346	\$ 7,654
Grades 6-8	30,000	(9,000)	21,000	12,989	8,011
Undistributed Expenditures:					
Admin Info Tech	40,000	(37,000)	3,000		3,000
Required Maint. School Facilities		21,407	21,407	21,275	132
Care and Upkeep of Grounds		6,000	6,000		6,000
School Buses - Special	85,000	(3,862)	81,138	81,138	
Total Equipment	195,000	60,545	255,545	230,748	24,797
Facilities Acquisition - Construction Services:					
Construction Services	200,000	(60,545)	139,455	132,226	7,229
Total Facilities Acquisition and Construction Services	200,000	(60,545)	139,455	132,226	7,229
Interest Deposit for Capital Reserve	262		262		262
TOTAL CAPITAL OUTLAY	395,262		395,262	362,974	32,288
TOTAL EXPENDITURES	15,103,010	117,316	15,220,326	17,374,324	(2,153,998)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(710,458)	266,964	(443,494)	860,375	1,303,869
Other Financing Sources (Uses):					
Transfer from Other Funds	80,000		80,000		(80,000)
Transfer to Preschool Program	(320,000)		(320,000)	(320,000)	
Transfer to Charter School	(39,124)		(39,124)	(39,124)	
Total Other Financing Sources	(279,124)		(279,124)	(359,124)	(80,000)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(989,582)	266,964	(722,618)	501,251	1,223,869
Fund Balances, July 1	3,645,371		3,645,371	3,645,371	
Fund Balances, June 30	\$ 2,655,789	\$ 266,964	\$ 2,922,753	\$ 4,146,622	\$ 1,223,869
<b>RECAPITULATION:</b>					
<b>Restricted Fund Balance:</b>					
Excess Surplus				\$ 234,008	
Excess Surplus - Designated for Subsequent Year's Expenditures				39,581	
Maintenance Reserve				492,428	
Maintenance Reserve - Designated for Subsequent Year's Expenditures				200,000	
Capital Reserve				1,211,392	
Capital Reserve - Designated for Subsequent Year's Expenditures				1,025,000	
Unemployment Compensation				153,801	
<b>Assigned Fund Balance:</b>					
Year-End Encumbrances				18,283	
Designated for Subsequent Year's Expenditures				452,662	
<b>Unassigned Fund Balance</b>					
				319,467	
				4,146,622	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments not Recognized on GAAP Basis				(644,973)	
Fund Balance per Governmental Funds (GAAP)				\$ 3,501,649	

**RUNNEMEDE BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$	\$ 52,350	\$ 52,350	\$ 53,000	\$ (650)
Federal Sources	1,295,557	478,863	1,774,420	1,169,053	(605,367)
State Sources	1,531,122	(7,840)	1,523,282	1,322,359	(200,923)
<b>Total Revenues</b>	<u>2,826,679</u>	<u>523,373</u>	<u>3,350,052</u>	<u>2,544,412</u>	<u>(806,940)</u>
<b>EXPENDITURES:</b>					
<b>Instruction</b>					
Salaries of Teachers	462,704	175,480	638,184	509,233	128,951
Other Salaries for Instruction	337,113	16,189	353,302	353,302	
Purchased Prof/ed. Services	90,635	(41,498)	49,137	49,137	
Other Purchased Services	245,891	15,100	260,991	260,991	
General Supplies	190,517	(16,533)	173,984	171,225	2,759
Textbooks	7,863	453	8,316	8,316	
Other Objects		30,000	30,000	7,316	22,684
<b>Total Instruction</b>	<u>1,334,723</u>	<u>179,191</u>	<u>1,513,914</u>	<u>1,359,520</u>	<u>154,394</u>
<b>Support Services</b>					
Salaries	25,470	31,389	56,859	41,859	15,000
Salaries - Secretarial	46,835		46,835	46,835	
Other Salaries	42,539		42,539	42,539	
Salaries of Community Parent Involvement	60,346	(1,632)	58,714	58,714	
Salaries of Master	62,400	(3,393)	59,007	59,007	
Employee Benefits	300,000		300,000	300,000	
Purchased Prof/Tech Services	162,430	101,436	263,866	152,723	111,143
Contracted Transportation Services	10,000	(1,679)	8,321	8,317	4
Other Purchased Services	136,523	(27,338)	109,185	76,779	32,406
Purchased Property Services	17,488	356	17,844	17,844	
Materials and Supplies	10,000	103,627	113,627	71,082	42,545
Other Objects	22,925	2,905	25,830	25,770	60
Student Activities	10,000	42,350	52,350	50,547	1,803
<b>Total Support Services</b>	<u>906,956</u>	<u>248,021</u>	<u>1,154,977</u>	<u>952,016</u>	<u>202,961</u>
<b>Facilities Acquisition and Construction Services:</b>					
Instructional Equipment					
ESSR II Facilities	500,000	104,961	604,961	474,223	130,738
Non-Instructional Equipment	85,000	(8,800)	76,200	76,200	
<b>Total Facilities Acquisition and Construction Services</b>	<u>585,000</u>	<u>96,161</u>	<u>681,161</u>	<u>550,423</u>	<u>130,738</u>
<b>Total Expenditures</b>	<u>2,826,679</u>	<u>523,373</u>	<u>3,350,052</u>	<u>2,861,959</u>	<u>488,093</u>
<b>Other Financing Sources (Uses)</b>					
<b>Total Outflows</b>	<u>2,826,679</u>	<u>523,373</u>	<u>3,350,052</u>	<u>2,861,959</u>	<u>488,093</u>
<b>Transfer from General fund</b>				320,000	320,000
<b>Excess (Deficiency) of Revenues Over (Under)</b>				<u>2,453</u>	<u>1,153</u>
Fund Balance, July 1				15,409	
Fund Balance, June 30				<u>17,862</u>	
<b>Recapitulation:</b>					
Restricted:					
Student Activities				17,862	
<b>Total Fund Balance</b>				<u>\$ 17,862</u>	

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

**RUNNEMEDE BOARD OF EDUCATION  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGET-TO-GAAP RECONCILIATION  
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**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1] \$ 18,234,699	[E-1] \$ 2,544,412
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	Prior Year Current Year	
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.	619,125	113,416
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(644,973)	(112,863)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>[B-2] \$ 18,208,851</u>	<u>[B-2] \$ 2,544,965</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1] \$ 17,374,324	[E-1] \$ 2,861,959
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		
Net transfers (outflows) to general fund		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>[B-2] \$ 17,374,324</u>	<u>[B-2] \$ 2,861,959</u>

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART III**

**RUNNEMEDE BOARD OF EDUCATION**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability	0.023532%	0.022546%	0.021526%	0.020544%	0.021307%	0.021515%	0.016866%	0.017643%	0.016190%	0.015659%
District's Proportionate Share of the Net Pension Liability	\$ 3,551,365	\$ 2,670,893	\$ 3,510,394	\$ 3,701,650	\$ 4,195,246	\$ 5,008,361	\$ 4,721,248	\$ 3,960,435	\$ 3,031,301	\$ 2,992,838
District's Covered-Employee Payroll	\$ 1,943,299	\$ 1,872,800	\$ 1,695,227	\$ 1,628,900	\$ 1,486,705	\$ 1,401,904	\$ 1,504,964	\$ 1,381,733	\$ 1,233,319	\$ 1,119,014
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	182.75%	142.61%	207.08%	227.25%	282.18%	357.25%	313.71%	286.63%	245.78%	267.45%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**RUNNEMEDE BOARD OF EDUCATION**  
**Schedule of District Contributions**  
**Public Employees' Retirement System (PERS)**  
**Last Ten Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 296,755	\$ 264,038	\$ 235,488	\$ 201,147	\$ 213,641	\$ 204,668	151,359	\$ 151,680	\$ 133,472	\$ 117,991
Contributions in relation to the Contractually Required Contribution	(296,755)	(264,038)	(235,488)	(201,147)	(213,641)	(204,668)	(151,359)	(151,680)	(133,472)	(117,991)
Contribution Deficiency (Excess)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
District's Covered-Employee Payroll	\$ 1,943,299	\$ 1,872,800	\$ 1,695,227	\$ 1,628,900	\$ 1,486,705	\$ 1,401,904	\$ 1,504,964	\$ 1,381,733	\$ 1,233,319	\$ 1,119,014
Contributions as a Percentage of Covered-Employee Payroll	15.27%	14.10%	13.89%	12.35%	14.37%	14.60%	10.06%	10.98%	10.82%	10.54%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.

**RUNNEMEDE BOARD OF EDUCATION**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund (TPAF)**  
**Last Ten Fiscal Years\***

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability	0.052161%	0.052719%	0.052878%	0.051375%	0.048774%	0.051368%	0.049291%	0.053573%	0.053724%	0.051149%
District's Proportionate Share of the Net Pension Liability	\$ 26,912,010	\$ 25,344,894	\$ 34,819,238	\$ 31,529,412	\$ 31,029,190	\$ 34,634,062	\$ 38,775,664	\$ 33,860,278	\$ 28,713,546	\$ 25,850,462
District's Covered-Employee Payroll	\$ 6,626,500	\$ 6,188,427	\$ 5,985,028	\$ 5,810,441	\$ 5,754,483	\$ 5,639,158	\$ 5,397,870	\$ 5,029,343	\$ 5,183,302	\$ 4,715,910
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	406.13%	409.55%	581.77%	542.63%	539.22%	614.17%	718.35%	673.25%	553.96%	548.15%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a 10-year trend is compiled, this presentation will include information for those years for which information is available.



**RUNNEMEDE BOARD OF EDUCATION**  
**Required Supplementary Information - Part III**  
**Schedule of Changes in the Total OPEB Liability and Related Ratios**  
**State Health Benefit Local Education Retired Employees Plan**  
**Last Ten Fiscal Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability</b>						
Service Cost	\$ 1,981,403	\$ 2,230,618	\$ 1,227,157	\$ 1,195,968	\$ 1,295,650	\$ 1,569,309
Interest Cost	914,871	1,079,747	1,046,815	1,288,184	1,448,976	1,256,855
Changes of Benefit Terms		(44,303)				
Differences Between Expected and Actual Experiences	140,628	(8,485,871)	8,374,985	(5,490,582)	(5,248,510)	
Changes of Assumptions	(9,260,839)	41,064	8,699,408	433,591	(3,731,768)	(5,317,681)
Member Contributions	29,072	27,604	25,130	26,462	30,053	33,770
Gross Benefit Payments	(906,207)	(850,538)	(829,108)	(892,681)	(869,558)	(917,095)
<b>Net Change in Total OPEB Liability</b>		(6,001,679)	18,544,387	(3,439,058)	(7,075,157)	(3,374,842)
<b>Total OPEB Liability - Beginning</b>	41,623,084	47,624,763	29,080,376	32,519,434	39,594,591	42,969,433
<b>Total OPEB Liability - Ending</b>	<u>\$ 41,623,084</u>	<u>\$ 41,623,084</u>	<u>\$ 47,624,763</u>	<u>\$ 29,080,376</u>	<u>\$ 32,519,434</u>	<u>\$ 39,594,591</u>
<b>Covered-Employee Payroll</b>	<u>\$ 8,569,799</u>	<u>\$ 8,061,227</u>	<u>\$ 7,680,255</u>	<u>\$ 7,439,341</u>	<u>\$ 7,241,188</u>	<u>\$ 7,041,062</u>
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	485.69%	516.34%	620.09%	390.90%	449.09%	562.34%

Notes to Schedule:

Changes of Benefit Terms: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences Between Expected and Actual Experiences: The decrease in liability from June 30, 2020 to June 30, 2021 is due to changes in the census.

Changes in Assumptions: The increase in the liability from June 30, 2020 to June 30, 2021 is due to the combined effect of Trend Updates, Mortality Projection Scale Updates, Discount Rate Changes, and Salary Scale changes.

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**OTHER SUPPLEMENTARY INFORMATION**

## **SPECIAL REVENUE FUND DETAIL STATEMENTS**

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

**RUNNEMEDE BOARD OF EDUCATION**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)**

	NCLB / ESEA			I.D.E.A.	ARP IDEA			CRRSA Consolidated			ARP Consolidated				Preschool	Sub-Total Per E-1 (2)	Totals	
	Title I Part A 2022-23	Title II Part A 2022-23	Title IV Part A 2022-23	Part B Basic 2022-23	Basic 2022-23	Preschool 2022-23	CRRSA ESSR II 2022-23	CR Learning Accel. 2022-23	CR Mental Health 2022-23	ARP ESSR 2022-23	Summer Learning 2022-23	Homeless 2022-23	Mental Health 2022-23	2023			2022	
<b>REVENUES:</b>																		
Federal Sources	\$ 145,964	\$ 26,855	\$ 12,906	\$ 265,856	\$ 236	\$ 13,408	\$ 209,502	\$ 4,192	\$ 32,781	\$ 425,783	\$ 21,280	\$ 6,942	\$ 3,348			\$ 1,169,053	\$ 1,421,500	
State Sources														\$ 1,184,705	\$ 137,654	1,322,359	1,266,376	
Local Sources															53,000	53,000	39,074	
<b>Total Revenues</b>	<b>145,964</b>	<b>26,855</b>	<b>12,906</b>	<b>265,856</b>	<b>236</b>	<b>13,408</b>	<b>209,502</b>	<b>4,192</b>	<b>32,781</b>	<b>425,783</b>	<b>21,280</b>	<b>6,942</b>	<b>3,348</b>	<b>1,184,705</b>	<b>190,654</b>	<b>2,544,412</b>	<b>2,716,950</b>	
<b>EXPENDITURES:</b>																		
<b>Instruction:</b>																		
Salaries of Teachers	75,000	15,000						4,192		20,720	21,280			373,041		509,233	526,201	
Other Salaries for Instruction														353,302		353,302	284,073	
Purchased Prof/ED. Services	22,007			21,384										5,746		49,137		
Purchased Prof/Tech Services																	59,480	
Other Purchased Services				232,062		13,408								2,081	13,440	260,991	316,328	
General Supplies	29,757		12,906	564	236				63	66,584		6,942		48,201	5,962	171,225	178,475	
Textbooks															8,316	8,316	7,863	
Other Objects										7,316						7,316		
<b>Total Instruction</b>	<b>126,764</b>	<b>15,000</b>	<b>12,906</b>	<b>254,010</b>	<b>236</b>	<b>13,408</b>		<b>4,192</b>	<b>63</b>	<b>94,630</b>	<b>21,280</b>	<b>6,942</b>		<b>782,371</b>	<b>27,718</b>	<b>1,359,520</b>	<b>1,372,420</b>	
<b>Support Services:</b>																		
Salaries														41,859		41,859	40,315	
Salaries - Secretarial														46,835		46,835	45,250	
Other Salaries														42,539		42,539	48,532	
Salaries of Community Parent Involvement														58,714		58,714	46,420	
Salaries of Master														59,007		59,007	57,906	
Employee Benefits														300,000		300,000	300,000	
Purchased Prof/Tech Services	19,200	4,066		11,846					30,050	7,703			3,348	76,510		152,723	169,032	
Contracted Transportation Services														8,317		8,317		
Other Purchased Services		7,789							2,668						66,322	76,779	67,232	
Purchased Property Services															17,844	17,844		
Materials and Supplies										58,729				12,353		71,082	73,603	
Other Objects															25,770	25,770	22,925	
Student Activities															50,547	50,547	37,199	
<b>Total Support Services</b>	<b>19,200</b>	<b>11,855</b>		<b>11,846</b>					<b>32,718</b>	<b>66,432</b>			<b>3,348</b>	<b>646,134</b>	<b>160,483</b>	<b>952,016</b>	<b>908,414</b>	
<b>Facilities Acquisition/Construction:</b>																		
Instructional Equipment																		89,485
ESSR II Facilities							209,502			264,721						474,223	595,414	
Non-Instructional Equipment														76,200		76,200	29,342	
<b>Transfer from Enterprise Fund</b>							<b>209,502</b>			<b>264,721</b>				<b>76,200</b>		<b>550,423</b>	<b>714,241</b>	
<b>Total Expenditures</b>	<b>145,964</b>	<b>26,855</b>	<b>12,906</b>	<b>265,856</b>	<b>236</b>	<b>13,408</b>	<b>209,502</b>	<b>4,192</b>	<b>32,781</b>	<b>425,783</b>	<b>21,280</b>	<b>6,942</b>	<b>3,348</b>	<b>1,504,705</b>	<b>188,201</b>	<b>2,861,959</b>	<b>\$ 2,995,075</b>	
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>														<b>(320,000)</b>	<b>2,453</b>	<b>(317,547)</b>	<b>(278,125)</b>	
<b>Transfer from General Fund</b>														<b>320,000</b>		<b>320,000</b>	<b>280,000</b>	
<b>Fund Balance, July 1</b>															<b>15,409</b>	<b>15,409</b>	<b>13,534</b>	
<b>Fund Balance, June 30</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>17,862</b>	<b>17,862</b>	<b>15,409</b>	

**RUNNEMEDE BOARD OF EDUCATION**  
**SPECIAL REVENUE FUND**  
**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
**(WITH COMPARATIVE TOTALS FOR JUNE 30, 2022)**

Non-Public

					Chapter 192		Chapter 193			SDA Emergent	Student Activity	Totals	
	Textbook Aid	Nursing Aid	Technology Aid	Security Aid	Compensatory Education	Transportation	Corrective Speech	Examination and Classification	Supplemental Instructional Aid			2023	2022
<b>REVENUES:</b>													
Federal Sources													
State Sources	\$ 8,316	\$14,110	\$ 5,292	\$ 25,770	\$ 36,073	\$ 8,698	\$ 6,882	\$ 10,043	\$ 4,626	\$ 17,844		\$ 137,654	\$ 102,632
Local Sources											\$ 53,000	53,000	39,074
<b>Total Revenues</b>	<b>8,316</b>	<b>14,110</b>	<b>5,292</b>	<b>25,770</b>	<b>36,073</b>	<b>8,698</b>	<b>6,882</b>	<b>10,043</b>	<b>4,626</b>	<b>17,844</b>	<b>53,000</b>	<b>190,654</b>	<b>141,706</b>
<b>EXPENDITURES:</b>													
Instruction:													
Other Purchased Services		13,440										13,440	14,072
General Supplies		670	5,292									5,962	6,098
Textbooks	8,316											8,316	7,863
<b>Total Instruction</b>	<b>8,316</b>	<b>14,110</b>	<b>5,292</b>									<b>27,718</b>	<b>28,033</b>
Support Services:													
Other Purchased Services					36,073	8,698	6,882	10,043	4,626			66,322	51,674
Purchased Property Services										17,844		17,844	
Other Objects				25,770								25,770	22,925
Student Activities											50,547	50,547	37,199
<b>Total Support Services</b>				<b>25,770</b>	<b>36,073</b>	<b>8,698</b>	<b>6,882</b>	<b>10,043</b>	<b>4,626</b>	<b>17,844</b>	<b>50,547</b>	<b>160,483</b>	<b>111,798</b>
Facilities Acquisition/Construction:													
Instructional Equipment													
Non Instructional Equipment													
<b>Total Facilities Acquisition/Construction</b>													
<b>Total Expenditures</b>	<b>\$ 8,316</b>	<b>\$14,110</b>	<b>\$ 5,292</b>	<b>\$ 25,770</b>	<b>\$ 36,073</b>	<b>\$ 8,698</b>	<b>\$ 6,882</b>	<b>\$ 10,043</b>	<b>\$ 4,626</b>	<b>\$ 17,844</b>	<b>\$ 50,547</b>	<b>\$ 188,201</b>	<b>139,831</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures											2,453	2,453	1,875
Fund Balance July 1											15,409	15,409	13,534
Fund Balance June 30	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 17,862	\$ 17,862	\$ 15,409

**RUNNEMEDE BOARD OF EDUCATION**  
**SPECIAL REVENUE FUND**  
**SCHEDULE OF PRESCHOOL EDUCATION AID**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
<b>Instruction:</b>			
Salaries of Teachers	\$ 373,041	\$ 373,041	\$
Other Salaries for Instruction	353,302	353,302	
Purchased Prof/Educ Services	5,746	5,746	
Other Purchased Services	2,081	2,081	
General Supplies	48,201	48,201	
<b>Total Instruction</b>	<u>782,371</u>	<u>782,371</u>	
<b>Support:</b>			
Salaries of Other Professional Staff	41,859	41,859	
Secretaries and Clerical staff salaries	46,835	46,835	
Other Salaries	42,539	42,539	
Parent Liaison	58,714	58,714	
Salaries of Master	59,007	59,007	
Personal Services - Employee Benefits	300,000	300,000	
Other Purchased Services - Ed Services	77,240	76,510	730
Misc. Purchased Services	8,320	8,317	3
Supplies and Materials	12,353	12,353	
<b>Total Support Services</b>	<u>646,867</u>	<u>646,134</u>	<u>733</u>
<b>Facilities Acquisition and Const. Services:</b>			
Instructional Equipment			
Non-instructional Equipment	76,200	76,200	
<b>Total Facilities Acquisition and Const. Services:</b>	<u>76,200</u>	<u>76,200</u>	
<b>Total Expenditures</b>	<u>\$ 1,505,438</u>	<u>\$ 1,504,705</u>	<u>\$ 733</u>

**CALCULATION OF BUDGET & CARRYOVER**

Total revised 2022-2023 Preschool Education Aid Allocation	\$ 1,128,634	(1)
Add: Actual ECPA/PEA Carryover (June 30, 2022)	57,542	(2)
Add: Budgeted Transfer from the General Fund 2022-2023	320,000	(3)
Total Preschool Education Aid Funds Available for 2022-2023 Budget	1,506,176	(4)
Less: 2022-2023 Budgeted Preschool Education Aid (including prior year budget carryover)	(1,505,438)	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023	738	(6)
Add: June 30, 2023 Unexpended Preschool Education Aid	733	(7)
Less: 2022-2023 Commissioner-approved Transfer to the General Fund	(8)	(8)
2022-2023 Carryover - Preschool Education Aid/Preschool Programs	1,471	(9)
Transfer from Enterprise Fund		
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2023-2024	\$ _____	(10)

## PROPRIETARY FUND DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the district’s board is that the costs of providing goods or services be financed through user charges.

**Food Services Fund** – This fund provides for the operation of food services in all schools within the school district.

**RUNNEMEDE BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF NET POSITION**  
**AS OF JUNE 30, 2023 AND 2022**

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2023	2022
<b>ASSETS:</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 103,592	\$ 203,868	\$ 307,460	\$ 117,043
Accounts Receivable:				
State	345		345	394
Federal	10,792		10,792	44,804
Other		1,124	1,124	7,843
Inventory	3,833		3,833	7,673
Interfund Receivable	5,000		5,000	5,000
<b>Total Current Assets</b>	<b>123,562</b>	<b>204,992</b>	<b>328,554</b>	<b>182,757</b>
Fixed Assets:				
Equipment	55,311		55,311	55,311
Accumulated Depreciation	(12,494)		(12,494)	(9,273)
<b>Total Fixed Assets</b>	<b>42,817</b>		<b>42,817</b>	<b>46,038</b>
<b>Total Assets</b>	<b>166,379</b>	<b>204,992</b>	<b>371,371</b>	<b>228,795</b>
<b>LIABILITIES:</b>				
Current Liabilities:				
Accounts Payable				
Interfund Payable		5,000	5,000	5,000
Unearned Revenue	4,463	325	4,788	5,764
<b>Total Current Liabilities</b>	<b>4,463</b>	<b>5,325</b>	<b>9,788</b>	<b>10,764</b>
Non-Current Liabilities:				
Compensated Absences	24,163	5,254	29,417	27,516
<b>Total Liabilities</b>	<b>28,626</b>	<b>10,579</b>	<b>39,205</b>	<b>38,280</b>
<b>Transfer from Enterprise Fund</b>				
Invested in Capital Assets Net of Related Debt	42,817		42,817	46,038
Unrestricted	94,936	194,413	289,349	144,477
<b>Total Net Position</b>	<b>\$ 137,753</b>	<b>\$ 194,413</b>	<b>\$ 332,166</b>	<b>\$ 190,515</b>



**RUNNEMEDE BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET POSITION**  
**AS OF JUNE 30, 2023 AND 2022**

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2023	2022
<b>OPERATING REVENUES:</b>				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	\$	\$	\$	\$
School Breakfast Program				
Total Daily Sales - Reimbursable Programs				
Daily Sales Non-Reimbursable Programs	96,909		96,909	32,630
Hire/Retire Bonus		22,617	22,617	17,000
Program Fees		382,989	382,989	273,450
Total Operating Revenue	96,909	405,606	502,515	323,080
<b>OPERATING EXPENSES:</b>				
Salaries & Employee Benefits	136,256	222,620	358,876	299,228
Supplies and Materials	8,284	20,219	28,503	37,001
Purchased Services	9,306	23,907	33,213	110,226
Building Usage				
Cost of Sales - Reimbursable Programs	144,587		144,587	192,026
Cost of Sales - Non Reimbursable Programs	30,593		30,593	13,379
Depreciation	3,221		3,221	3,129
Other	5,785	351	6,136	4,984
Total Operating Expenses	338,032	267,097	605,129	659,973
Operating Income (Loss)	(241,123)	138,509	(102,614)	(336,893)
Non-Operating Revenues:				
State Sources:				
State School Breakfast Program	921		921	
State School Lunch Program	5,504		5,504	7,175
Federal Sources:				
School Breakfast Program	47,107		47,107	115,238
National School Lunch Program	145,008		145,008	304,715
P-EBT Administrative Cost Reimb	653		653	1,242
Supply Chain Assistance Funding	30,216		30,216	20,374
Emerg. Operational Cost Prog-Schs				4,914
Food Distribution Program	14,585		14,585	12,805
Interest	271		271	7
Total Non-Operating Revenues	244,265		244,265	466,470
Net Income before Operating Transfers	3,142	138,509	141,651	129,577
Fixed Asset Adjustment				(1,913)
Net Income (Loss)	3,142	138,509	141,651	127,664
Net Position - July 1	134,611	55,904	190,515	62,851
Net Position - June 30	\$ 137,753	\$ 194,413	\$ 332,166	\$ 190,515

**RUNNEMEDE BOARD OF EDUCATION**  
**ENTERPRISE FUND**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**AS OF JUNE 30, 2023 AND 2022**

	Food Service Enterprise Fund	Before and After Care Fund	Totals	
			2023	2022
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 96,909	\$ 405,606	\$ 502,515	\$ 323,080
Payments to Employees	(136,256)	(226,610)	(362,866)	(295,632)
Payments for Employee Benefits				
Payments to Suppliers	(139,629)	(39,283)	(178,912)	(394,126)
Net Cash Provided by (Used for) Operating Activities	(178,976)	139,713	(39,263)	(366,678)
Cash Flows from Non-Capital Financing Activities				
State Sources	6,425		6,425	7,175
Federal Sources	222,984		222,984	446,483
Net Cash Provided by (Used for) Operating Activities	229,409		229,409	453,658
Cash Flows from Capital and Related Financing Activities				
Purchases of Capital Assets				(3,575)
Transfer to General Fund for Purchase of Fixed Asset				
Net Cash Provided by (Used for) Capital and Related Financing Activities				(3,575)
Cash Flows from Investing Activities				
Interest and Dividends	271		271	7
Net Cash Provided by (Used for) Investing Activities	271		271	7
Net Increase (Decrease) in Cash and Cash Equivalents	50,704	139,713	190,417	83,412
Balances - Beginning of Year	52,888	64,155	117,043	33,631
Balances - End of Year	\$ 103,592	\$ 203,868	\$ 307,460	\$ 117,043
Operating Income (Loss)				
	\$ (241,123)	\$ 138,509	\$ (102,614)	\$ (336,893)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	3,221		3,221	3,129
Food Distribution Program	14,585		14,585	12,805
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	34,061	6,719	40,780	(20,762)
(Increase)/Decrease in Interfund Receivable				(5,000)
(Increase)/Decrease in Inventory	3,840		3,840	3,363
Increase/(Decrease) in Accounts Payable				(2,418)
Increase/(Decrease) in Interfund Payable				(30,138)
Increase/(Decrease) in Unearned Revenue	549	(1,525)	(976)	(167)
Increase/(Decrease) in Compensated Absences	5,891	(3,990)	1,901	9,403
Total Adjustments	62,147	1,204	63,351	(29,785)
Net Cash Used by Operating Activities	\$ (178,976)	\$ 139,713	\$ (39,263)	\$ (366,678)

**STATISTICAL SECTION**

**RUNNEMEDE SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(UNAUDITED)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 3,604,197	\$ 3,473,772	\$ 6,191,760	\$ 6,302,315	\$ 6,766,255	\$ 7,584,335	\$ 8,097,502	\$ 8,614,874	\$ 9,729,882	\$ 10,095,664
Restricted	3,154,832	4,005,111	3,553,871	3,619,074	2,702,504	2,325,918	1,969,265	2,359,140	2,353,779	3,374,072
Unrestricted (Deficit)	(570,933)	(3,377,588)	(3,605,300)	(4,061,889)	(3,663,750)	(4,090,221)	(4,422,321)	(4,251,091)	(3,820,410)	(3,981,589)
<b>Total Governmental Activities Net Position</b>	<b>\$ 6,188,096</b>	<b>\$ 4,101,295</b>	<b>\$ 6,140,331</b>	<b>\$ 5,859,500</b>	<b>\$ 5,805,009</b>	<b>\$ 5,820,032</b>	<b>\$ 5,644,446</b>	<b>\$ 6,722,923</b>	<b>\$ 8,263,251</b>	<b>\$ 9,488,147</b>
<b>Business-Type Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 6,164	\$ 5,301	\$ 6,675	\$ 7,775	\$ 13,638	\$ 18,823	\$ 17,418	\$ 47,505	\$ 46,038	\$ 42,817
Restricted										
Unrestricted	3,410	52,058	122,911	229,230	110,499	81,206	18,815	15,346	144,477	289,349
<b>Total Business-Type Activities Net Position</b>	<b>\$ 9,574</b>	<b>\$ 57,359</b>	<b>\$ 129,586</b>	<b>\$ 237,005</b>	<b>\$ 124,137</b>	<b>\$ 100,029</b>	<b>\$ 36,233</b>	<b>\$ 62,851</b>	<b>\$ 190,515</b>	<b>\$ 332,166</b>
<b>District-Wide</b>										
Invested in Capital Assets, Net of Related Debt	\$ 3,610,361	\$ 3,479,073	\$ 6,198,435	\$ 6,310,090	\$ 6,779,893	\$ 7,603,158	\$ 8,114,920	\$ 8,662,379	\$ 9,775,920	\$ 10,138,481
Restricted	3,154,832	4,005,111	3,553,871	3,619,074	2,702,504	2,325,918	1,969,265	2,359,140	2,353,779	3,374,072
Unrestricted (Deficit)	(567,523)	(3,325,530)	(3,482,389)	(3,832,659)	(3,553,251)	(4,009,015)	(4,403,506)	(4,235,745)	(3,675,933)	(3,692,240)
<b>Total District-Wide Net Position</b>	<b>\$ 6,197,670</b>	<b>\$ 4,158,654</b>	<b>\$ 6,269,917</b>	<b>\$ 6,096,505</b>	<b>\$ 5,929,146</b>	<b>\$ 5,920,061</b>	<b>\$ 5,680,679</b>	<b>\$ 6,785,774</b>	<b>\$ 8,453,766</b>	<b>\$ 9,820,313</b>

Source: ACFR Schedule A-1

**RUNNEMEDE SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(UNAUDITED)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	\$ 3,770,924	\$ 3,652,476	\$ 3,723,081	\$ 3,665,945	\$ 3,647,840	\$ 3,988,177	\$ 4,865,945	\$ 4,880,096	\$ 5,128,603	\$ 5,208,309
Special Education	1,205,619	1,253,654	1,343,669	1,355,424	1,376,517	1,252,223	986,992	994,013	949,081	953,824
Other Instruction	215,467	307,713	247,082	436,257	452,420	476,511	402,014	314,943	436,346	478,748
<b>Support Services</b>										
Tuition	569,265	413,871	587,144	537,393	548,059	310,457	505,589	223,339	104,002	273,679
Student and Instruction Related Serv.	1,380,450	1,575,472	1,563,987	1,813,863	1,970,776	2,440,148	2,148,367	2,347,148	2,731,304	3,132,881
General and Business Admin. Service	607,624	551,467	634,012	628,650	638,583	646,582	677,394	733,755	761,669	848,641
School Administrative Services	350,477	356,589	359,987	371,070	385,651	401,802	401,192	377,997	397,193	405,892
Plant Operations and Maintenance	653,349	878,185	862,926	981,652	901,295	1,167,168	1,159,199	1,120,165	1,166,417	1,161,589
Pupil Transportation	264,384	311,425	334,143	265,451	284,728	261,415	264,587	159,796	217,392	234,380
Unallocated Employee Benefits	3,234,907	4,544,444	5,516,621	6,625,523	7,939,503	7,445,632	5,355,079	7,819,341	6,092,412	5,118,874
Amortization of Debt Issue Costs										
Interest on Long-Term Debt										
Unallocated Depreciation	118,484	163,077	157,380	157,971	175,059	212,928	338,140	345,873	430,356	465,622
<b>Total Governmental Activities Expenses</b>	<b>12,370,950</b>	<b>14,008,373</b>	<b>15,330,032</b>	<b>16,839,199</b>	<b>18,320,431</b>	<b>18,603,043</b>	<b>17,104,498</b>	<b>19,316,466</b>	<b>18,414,775</b>	<b>18,282,419</b>
<b>Business-Type Activities</b>										
Food Service	257,015	220,927	235,577	268,621	271,061	282,521	310,228	429,341	417,395	338,032
Before and After Care				118,873	159,801	274,632	326,356	105,352	242,578	267,097
<b>Total Business-Type Activities Expense</b>	<b>257,015</b>	<b>220,927</b>	<b>235,577</b>	<b>387,294</b>	<b>430,862</b>	<b>557,153</b>	<b>636,584</b>	<b>534,693</b>	<b>659,973</b>	<b>605,129</b>
<b>Total District Expenses</b>	<b>\$ 12,627,965</b>	<b>\$ 14,229,300</b>	<b>\$ 15,565,609</b>	<b>\$ 17,226,493</b>	<b>\$ 18,751,293</b>	<b>\$ 19,160,196</b>	<b>\$ 17,741,082</b>	<b>\$ 19,851,159</b>	<b>\$ 19,074,748</b>	<b>\$ 18,887,548</b>
<b>Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Service	\$	\$	\$	\$	\$	\$	\$	\$	\$ 39,074	\$ 53,000
Operating Grants and Contributions	1,356,237	1,482,350	1,480,781	1,539,925	1,500,844	1,978,302	2,444,576	3,075,868	3,243,291	3,406,875
<b>Total Gov't Activities Program Rev.</b>	<b>1,356,237</b>	<b>1,482,350</b>	<b>1,480,781</b>	<b>1,539,925</b>	<b>1,500,844</b>	<b>1,978,302</b>	<b>2,444,576</b>	<b>3,075,868</b>	<b>3,282,365</b>	<b>3,459,875</b>
<b>Business-Type Activities</b>										
Charges for Services										
Food Service	73,166	92,106	109,190	112,304	96,514	100,104	72,049	2,418	32,630	96,909
Before and After Care				195,681	207,729	274,540	247,017	117,879	290,450	405,606
Operating Grants and Contributions	121,877	151,602	198,606	186,715	183,745	158,238	253,544	446,943	466,463	243,994
<b>Total Bus.-Type Activities Prog. Rev.</b>	<b>195,043</b>	<b>243,708</b>	<b>307,796</b>	<b>494,700</b>	<b>467,988</b>	<b>532,882</b>	<b>572,610</b>	<b>567,240</b>	<b>789,543</b>	<b>746,509</b>
<b>Total District Program Revenues</b>	<b>\$ 1,551,280</b>	<b>\$ 1,726,058</b>	<b>\$ 1,788,577</b>	<b>\$ 2,034,625</b>	<b>\$ 1,968,832</b>	<b>\$ 2,511,184</b>	<b>\$ 3,017,186</b>	<b>\$ 3,643,108</b>	<b>\$ 4,071,908</b>	<b>\$ 4,206,384</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (11,098,506)	\$ (12,526,023)	\$ (13,840,236)	\$ (15,273,879)	\$ (16,796,708)	\$ (16,624,741)	\$ (14,659,922)	\$ (16,228,613)	\$ (15,132,410)	\$ (14,822,544)
Business-Type Activities	(61,972)	22,781	72,219	107,406	37,126	(24,271)	(63,974)	32,547	129,570	141,380
<b>Total District-Wide Net Expense</b>	<b>\$ (11,160,478)</b>	<b>\$ (12,503,242)</b>	<b>\$ (13,768,017)</b>	<b>\$ (15,166,473)</b>	<b>\$ (16,759,582)</b>	<b>\$ (16,649,012)</b>	<b>\$ (14,723,896)</b>	<b>\$ (16,196,066)</b>	<b>\$ (15,002,840)</b>	<b>\$ (14,681,164)</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
Property Taxes Levied - General Purp	\$ 5,273,763	\$ 6,535,674	\$ 7,089,901	\$ 7,035,809	\$ 7,176,525	\$ 7,320,055	\$ 7,466,456	\$ 7,541,121	\$ 7,541,121	\$ 7,654,238
Taxes Levied for Debt Service										
Unrestricted Grants and Contributions	6,466,280	6,699,260	8,578,851	7,919,240	9,388,814	9,164,492	6,932,666	9,464,578	9,035,805	8,103,997
Investment Earnings	1,126	1,070	1,094	1,072	5,299	23,100	16,987	699	303	8,980
Miscellaneous Income	178,164	122,516	227,453	113,982	85,746	198,167	50,098	176,345	95,808	319,349
Other Adjustments	(23,500)	(35,381)		(7,367)		(23,532)	(25,561)		(3,166)	
Right-to-Use Lease Adjustment									31,725	
Transfers	(9,013)	(9,070)	(18,027)	(69,688)	(64,167)	(42,518)	(31,310)	(32,112)	(28,858)	(39,124)
<b>Total Governmental Activities</b>	<b>11,886,820</b>	<b>13,314,069</b>	<b>15,879,272</b>	<b>14,993,048</b>	<b>16,592,217</b>	<b>16,639,764</b>	<b>14,409,336</b>	<b>17,150,631</b>	<b>16,672,738</b>	<b>16,047,440</b>
<b>Business-Type Activities</b>										
Investment Earnings	4	4	8	13	6	163	178	18	7	271
Other Adjustments	297,222	25,000						(5,947)	(1,913)	
Transfers					(150,000)					
<b>Total Business-Type Activities</b>	<b>297,226</b>	<b>25,004</b>	<b>8</b>	<b>13</b>	<b>(149,994)</b>	<b>163</b>	<b>178</b>	<b>(5,929)</b>	<b>(1,906)</b>	<b>271</b>
<b>Total District-Wide</b>	<b>\$ 12,184,046</b>	<b>\$ 13,339,073</b>	<b>\$ 15,879,280</b>	<b>\$ 14,993,061</b>	<b>\$ 16,442,223</b>	<b>\$ 16,639,927</b>	<b>\$ 14,409,514</b>	<b>\$ 17,144,702</b>	<b>\$ 16,670,832</b>	<b>\$ 16,047,711</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 788,314	\$ 788,046	\$ 2,039,036	\$ (280,831)	\$ (54,491)	\$ 15,023	\$ (175,586)	\$ 922,018	\$ 1,540,328	\$ 1,224,896
Business-Type Activities	235,254	47,785	72,227	107,419	(112,868)	(24,108)	(63,796)	26,618	127,664	141,651
<b>Total District-Wide</b>	<b>\$ 1,023,568</b>	<b>\$ 835,831</b>	<b>\$ 2,111,263</b>	<b>\$ 173,412</b>	<b>\$ (167,359)</b>	<b>\$ (9,085)</b>	<b>\$ (239,382)</b>	<b>\$ 948,636</b>	<b>\$ 1,667,992</b>	<b>\$ 1,366,547</b>

Source: ACFR Schedule A-2

**RUNNEMEDE SCHOOL DISTRICT**  
**FUND BALANCES-GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
 (Modified Accrual Basis of Accounting)  
 (UNAUDITED)

	<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>
General Fund										
Reserved:										
Excess Surplus	\$ 716,546	666,782	803,460	659,656	293,017	300,890	295,306	191,709	81,290	273,589
Maintenance Reserve	200,000	700,000	700,000	837,149	692,149	692,428	692,149	692,428	692,428	692,428
Capital Reserve	1,369,944	377,010	877,485	1,155,000	1,598,434	1,213,696	862,906	1,325,000	1,410,851	2,236,392
Reserve for Unemployment Compensation								136,469	153,801	153,801
Assigned										
Year End Encumbrances	103,192	26,388	110,360	623	59,484	72,945	46,059	16,955	55,863	18,283
Subsequent Year's Expenditures	733,059	2,234,931	720,294	847,742	686,340	452,759	542,801	536,955	547,873	452,662
Unassigned (Deficit)	(181,593)	(128,240)	(151,953)	(166,866)	(123,841)	(92,186)	(155,830)	67,520	84,140	(325,506)
Total General Fund	<u>\$ 2,941,148</u>	<u>3,876,871</u>	<u>3,059,646</u>	<u>3,333,304</u>	<u>3,205,583</u>	<u>2,640,532</u>	<u>2,283,391</u>	<u>2,967,036</u>	<u>3,026,246</u>	<u>3,501,649</u>
All Other Governmental Funds										
Reserved:										
Committed - Capital Project Fund	\$ 32,091		342,272	118,904	118,904	118,904	118,904		14,509	17,862
Unassigned (Deficit)						(57,055)	(92,887)	(91,434)	(113,416)	(112,863)
Total All Other Governmental Funds (Deficit)	<u>\$ 32,091</u>	<u></u>	<u>342,272</u>	<u>118,904</u>	<u>118,904</u>	<u>61,849</u>	<u>26,017</u>	<u>(91,434)</u>	<u>(98,907)</u>	<u>(95,001)</u>

Source: ACFR Schedule B-1

**RUNNEMEDE SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
 (UNAUDITED)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Tax Levy	\$ 6,630,000	\$ 6,762,600	\$ 6,897,852	\$ 7,035,809	\$ 7,176,525	\$ 7,320,055	\$ 7,466,456	\$ 7,541,121	\$ 7,541,121	\$ 7,654,238
Tuition/Transportation	169,449	80,144	64,552	52,669	41,688	96,773	15,941	13,901		32,973
Interest Earnings	1,126	1,070	1,094	1,072	5,299	23,100	16,987	699	303	8,980
Miscellaneous	8,715	42,372	162,901	61,313	44,058	26,894	34,157	162,444	95,808	286,376
Rent						74,500				
State Sources	5,934,615	6,164,241	8,066,138	6,557,760	6,930,645	8,070,101	9,065,116	9,572,205	10,900,529	11,551,506
Federal Sources	531,665	535,019	512,713	565,741	521,141	513,816	491,009	805,363	1,461,897	1,219,743
<b>Total Revenues</b>	<b>13,275,570</b>	<b>13,585,446</b>	<b>15,705,250</b>	<b>14,274,364</b>	<b>14,719,356</b>	<b>16,125,239</b>	<b>17,089,666</b>	<b>18,095,733</b>	<b>19,999,658</b>	<b>20,753,816</b>
<b>Expenditures</b>										
<b>Instruction</b>										
Regular Instruction	3,608,552	3,635,082	3,706,295	3,657,674	3,645,161	3,984,919	4,862,222	4,874,188	5,116,423	5,181,172
Special Education Instruction	1,192,569	1,253,654	1,343,669	1,355,424	1,376,517	1,252,223	986,992	994,013	949,081	953,824
Other Instruction	249,280	307,713	247,082	436,257	452,420	476,511	402,014	314,943	436,346	478,748
<b>Support Services</b>										
Tuition	399,883	413,871	587,144	537,393	548,059	310,457	505,589	223,339	104,002	273,679
Student and Instruction Related Services	1,418,875	1,575,472	1,554,972	1,788,468	1,947,897	2,440,148	2,148,367	2,347,148	2,731,304	3,132,881
School Administrative Services	403,423	370,349	371,705	394,269	401,209	422,224	416,248	396,603	410,742	422,534
General Administrative Services	614,220	525,500	598,831	593,504	611,921	612,675	643,790	694,466	726,894	813,685
Plant Operations and Maintenance	767,145	866,079	862,926	957,297	884,742	1,147,060	1,139,861	1,101,390	1,101,335	1,145,578
Pupil Transportation	290,743	311,425	334,143	265,451	270,534	244,164	245,163	140,372	199,940	213,829
Business and Other Support Services	3,299,905	3,303,859	3,639,792	3,848,183	4,110,921	4,705,804	5,238,182	5,639,390	6,509,351	6,706,956
Capital Outlay	344,977	74,359	2,915,617	313,099	683,529	1,108,642	937,901	928,035	1,632,745	913,397
<b>Debt Service</b>										
Principal										
Interest and Other Charges										
<b>Total Expenditures</b>	<b>12,589,572</b>	<b>12,637,363</b>	<b>16,162,176</b>	<b>14,147,019</b>	<b>14,932,910</b>	<b>16,704,827</b>	<b>17,526,329</b>	<b>17,653,887</b>	<b>19,918,163</b>	<b>20,236,283</b>
<b>Excess (Deficiency) of Revenues</b>										
Over (Under) Expenditures	685,998	948,083	(456,926)	127,345	(213,554)	(579,588)	(436,663)	441,846	81,495	517,533
<b>Other Financing Sources (Uses)</b>										
Transfers, Net	(23,500)	(25,000)			150,000		75,000			
Cancellation of prior year Receivable		(10,381)		(7,367)						
Transfer to Charter School	(9,013)	(9,070)	(18,027)	(69,688)	(64,167)	(42,518)	(31,310)	(32,112)	(28,858)	(39,124)
<b>Total Other Financing Sources (Uses)</b>	<b>(32,513)</b>	<b>(44,451)</b>	<b>(18,027)</b>	<b>(77,055)</b>	<b>85,833</b>	<b>(42,518)</b>	<b>43,690</b>	<b>(32,112)</b>	<b>(28,858)</b>	<b>(39,124)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 653,485</b>	<b>\$ 903,632</b>	<b>\$ (474,953)</b>	<b>\$ (50,290)</b>	<b>\$ (127,721)</b>	<b>\$ (622,106)</b>	<b>\$ (392,973)</b>	<b>\$ 409,734</b>	<b>\$ 52,637</b>	<b>\$ 478,409</b>
<b>Debt Service as a Percentage of</b>										
Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

**RUNNEMEDE SCHOOL DISTRICT**  
**GENERAL FUND OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Rent</u>	<u>Shared</u> <u>Services</u>	<u>Miscellaneous</u>	<u>Total</u>
2023	\$ 8,980	\$ 32,755	\$ 81,296	\$ 218		\$ 68,000	\$ 84,080	\$ 275,329
2022	286,376							286,376
2021	699	13,901					150,459	165,059
2020	16,987	15,941					34,157	67,085
2019	23,100	96,773	20,991	5,254	74,500		649	221,267
2018	5,299	41,688	249	7,859			35,950	91,045
2017	1,072	52,669	30,017	40,555			305	124,618
2016	1,094	64,552	117,678				3,703	187,027
2015	162,901	80,144	12,205				25,857	281,107
2014	42,372	169,449	4,529				2,124	218,474

Source: District Records



**RUNNEMEDE SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<b>Fiscal Year Ended June 30,</b>	<b>Vacant Land</b>	<b>Residential</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Apartment</b>	<b>Total Assessed Value</b>	<b>Public Utilities <sup>a</sup></b>	<b>Net Valuation Taxable</b>	<b>Total Direct School Tax Rate <sup>b</sup></b>	<b>Estimated Actual County Equalized Value</b>
2023	\$ 3,627,800	\$ 385,245,800	\$ 70,102,200	\$ 18,726,200	\$ 26,719,000	\$ 504,421,000	76	\$ 504,421,076	1.536	\$ 660,830,927
2022	3,570,500	383,103,000	69,557,500	18,726,200	26,719,000	501,676,200	1,069,300	502,745,500	1.511	501,676,200
2021	3,779,700	382,933,100	70,157,700	18,726,200	26,719,000	502,315,700	1,137,434	503,453,134	1.498	592,213,747
2020	3,753,600	381,654,200	72,649,000	16,397,100	26,719,000	501,172,900	1,095,462	502,268,362	1.494	532,554,294
2019	3,867,600	380,498,300	73,614,400	16,397,100	26,719,000	501,096,400	1,099,979	502,196,379	1.494	517,387,346
2018	3,772,500	380,223,700	73,704,600	16,397,100	26,719,000	500,816,900	1,094,220	501,911,120	1.445	514,270,861
2017	3,765,000	380,802,400	75,358,500	16,397,100	26,719,000	503,042,000	1,061,965	504,103,965	1.410	506,449,375
2016	3,884,400	380,679,000	75,988,800	16,597,100	26,719,000	503,868,300	1,053,284	504,921,584	0.000	526,728,129
2015	3,876,000	381,090,800	75,673,700	16,597,100	26,843,000	504,080,600	1,048,625	505,129,225	1.353	526,944,737
2014	4,354,200	380,658,400	74,854,600	18,574,500	27,118,900	505,560,600	1,021,763	506,582,363	1.294	515,762,943

Source: District records Tax list summary & Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation

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

**b** Tax rates are per \$100

**c** Estimate

**RUNNEMEDE SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**  
*(Rate Per \$100 of Assessed Value)*  
*(UNAUDITED)*

Year Ended June 30,	Runnemede School District			Overlapping Rates			Total
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>o</sup>	Total Direct	Borough of Runnemede	Regional School	Camden County	
2023	\$ 1.536	\$ 0.000	\$ 1.536	\$ 1.237	\$ 0.705	\$ 0.891	\$ 4.369
2022	1.511	0.000	1.511	1.188	0.660	0.871	4.230
2021	1.498	0.000	1.498	1.149	0.609	0.874	4.130
2020	1.494	0.000	1.494	1.160	0.609	0.826	4.089
2019	1.472	0.000	1.472	1.117	0.604	0.821	4.014
2018	1.445	0.000	1.445	1.073	0.577	0.842	3.937
2017	1.410	0.000	1.410	1.055	0.549	0.822	3.836
2016	1.380	0.000	1.380	1.012	0.559	0.837	3.788
2015	1.353	0.000	1.353	1.012	0.588	0.846	3.799
2014	1.378	0.000	1.378	0.984	0.568	0.802	3.732

Source: District Records and Municipal Tax Collector

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

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

**b** Rates for debt service are based on each year's requirements.

**RUNNEMEDE SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Taxpayer	2023		2014	
	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
FP-Gimel NJ LP	\$ 13,365,500	2.66%	\$	
TNJ Properties LLC	10,205,100	2.03%		
The Meadows at Runnemedede Investors	10,056,800	2.00%	10,056,800	1.99%
EIL Investment LP	9,114,000	1.81%		
HDDA Runnemedede LLC	4,338,800	0.86%	4,338,800	0.86%
East Coast Enterprises INC	3,273,600	0.65%	3,273,600	0.65%
Sintara Corp	3,000,000	0.60%	3,830,600	0.76%
Runnemedede Associates	2,966,500	0.59%	2,966,500	0.59%
Runnemedede Equities LLC	2,459,000	0.49%		
East Clements Bridge Road LLC	1,484,600	0.30%		
Presidential Associates			10,205,100	2.02%
Hartford Plaza			10,108,400	2.00%
DPE Runnemedede Assoc. LLC			8,614,700	1.70%
D & P Industrial			2,394,200	0.47%
Oak Ridge Apartments			2,259,900	0.45%
<b>Total</b>	<b>\$ 60,263,900</b>	<b>12.00%</b>	<b>\$ 58,048,600</b>	<b>11.46%</b>

Source: District ACFR & Municipal Tax Assessor

**RUNNEMEDE 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</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>% of Levy</u>	
2023	\$ 7,654,238	\$7,654,238	100.00%	
2022	7,541,121	7,541,121	100.00%	
2021	7,541,121	7,541,121	100.00%	
2020	7,466,456	7,466,456	100.00%	
2019	7,320,055	7,320,055	100.00%	
2018	7,176,525	6,578,481	91.67%	598,044
2017	7,035,809	6,897,852	94.23%	
2016	6,897,852	6,897,852	96.12%	
2015	6,897,852	6,630,000	94.26%	
2014	6,630,000	6,502,000	98.04%	

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

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

**RUNNEMEDE SCHOOL DISTRICT**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2023	\$	\$	\$	\$	\$		\$	
2022								
2021								
2020								
2019								
2018								
2017								
2016								
2015								
2014								

NONE

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

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

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

**RUNNEMEDE SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

Fiscal Year Ended June 30,	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>		
2023	\$	\$	\$	\$	
2022					
2021					
2020					
2019					
2018					
2017					
2016					
2015					
2014					

NONE

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

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

**b** Population data can be found in Exhibit NJ J-13.

If a District has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

**RUNNEMEDE SCHOOL DISTRICT**  
**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 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>
<b>Debt Repaid with Property Taxes</b>			
Borough of Runnemede	\$ 8,149,306		\$ 8,149,306
Camden County General Obligation Debt	504,879,902	0.96%	4,863,877
Black Horse Pike Regional High School District *	197,747	9.15%	18,088
Subtotal, Overlapping Debt			13,031,272
<b>Runnemede School District Direct Debt</b>			
<b>Total Direct and Overlapping Debt</b>			<b>\$ 13,031,272</b>

**Sources:** Camden County Board of Taxation

**\* Capital Lease**

**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 Commercial. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**RUNNEMEDE SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Equalized Valuation Basis	
2022	\$ 658,540,562
2021	592,213,747
2020	550,014,157
	[A] \$ 1,800,768,466
Average Equalized Valuation of Taxable Property	[A/3] \$ 600,256,155
Debt Limit (3% of Average Equalization Value)	[B] \$ 18,007,685 a
Net Bonded School Debt	[C]
Legal Debt Margin	[B-C] \$ 18,007,685

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 16,045,255	\$ 15,674,001	\$ 15,449,574	\$ 15,210,902	\$ 15,206,183	\$ 15,321,810	\$ 15,573,966	\$ 15,937,881	\$ 16,718,162	\$ 18,007,685
Total Net Debt Applicable to Limit										
Legal Debt Margin	\$ 16,045,255	\$ 15,674,001	\$ 15,449,574	\$ 15,210,902	\$ 15,206,183	\$ 15,321,810	\$ 15,573,966	\$ 15,937,881	\$ 16,718,162	\$ 18,007,685
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

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

a Limit set by NJSA 18A:24-19 for a K through 8 District; other % limits would be applicable for other Districts



**RUNNEMEDE SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Personal Income (thousands of dollars) <sup>b</sup></u>	<u>Per Capita Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2023 *	8,392	\$ 518,340,340	\$ 61,765	4.3%
2022	8,309	512,695,561	61,704	3.9%
2021	8,291	462,263,960	61,642	6.8%
2020	8,279	460,071,652	58,830	10.7%
2019	8,301	491,894,498	54,958	4.3%
2018	8,315	460,110,875	53,026	4.6%
2017	8,319	431,313,692	51,096	4.8%
2016	8,331	415,133,880	49,392	5.8%
2015	8,328	404,919,675	48,002	6.4%
2014	8,342	389,232,765	46,193	8.4%

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income

<sup>c</sup> Per Capita

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

\* Estimate

**RUNNEMEDE SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**  
*(UNAUDITED)*

<u>Employer</u>	<u>2023</u>		<u>2014</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Cooper Health System	8,500	3.14%		
American Water Works	7,054	2.61%		
Bancroft NeuroHealth	2,900	1.07%		
Campbell Soup Co.	8,420	3.11%		<b>Not Available</b>
Diocese of Camden NJ, Inc.	221	0.08%		
Kennedy University Hospital	641	0.24%		
Virtua - West Jersey Health System	14,000	5.17%		
Our Lady of Lourdes Med. Ctr.	207	0.08%		
Global Aluminum (USA)	28	0.01%		
Lockheed Martin	3,500	1.29%		
	<u>45,471</u>	<u>16.80%</u>		

\*Information from Camden County Website. The number of employees per company was not given.

**RUNNEMEDE SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<b><u>Function/Program</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>2017</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2021</u></b>	<b><u>2022</u></b>	<b><u>2023</u></b>
Instruction										
Regular	57	59	55	55	55	59	65	65	67	68
Special Education	16	17	15	17	18	17	13	14	14	15
Support Services:										
Tuition										
Student & Instruction Related Services	32	34	39.1	39	40.5	39	36	36	40.5	42
General Administrative Services	2	2	2	2	2	2	2	2	2	2
School Administrative Services	7	9	9	9	9	9	7.6	9.6	9.6	9.6
Business Administrative Services	5.5	5	6.4	6	6.4	6.4	6.4	6.4	6.4	6.4
Plant Operations and Maintenance	9.5	9.5	11	12	12	12.5	14.5	12.5	12	11
Food Service	4	3	3	3	3	3.5	3.5	4	4	4
Total	<u>133</u>	<u>139</u>	<u>141</u>	<u>143</u>	<u>146</u>	<u>148</u>	<u>148</u>	<u>150</u>	<u>156</u>	<u>158</u>

**Source:** District Personnel Records

**RUNNEMEDE SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures<sup>a</sup></u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff<sup>b</sup></u>	<u>Pupil/Teacher Ratio</u>	<u>Elementary</u>	<u>Middle</u>	<u>Average Daily Enrollment (ADE)<sup>c</sup></u>	<u>Average Daily Attendance (ADA)<sup>c</sup></u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2023	823	\$ 19,322,886	\$ 23,479	44.3%	83	1:09	1:12	822.48	764.12	-1.51%	92.90%	
2022	805	18,285,418	22,715	45.9%	80	1:10	1:12	804.54	751.57	-6.67%	93.42%	
2021	837	16,725,852	19,983	28.4%	79	1:10	1:12	835.49	794.14	-2.94%	95.05%	
2020	867	16,588,428	19,133	22.9%	78	1:11	1:11	859.85	831.16	3.61%	96.66%	
2019	840	15,596,185	18,567	19.3%	76	1:11	1:11	829.15	788.09	-2.50%	95.05%	
2018	852	14,249,381	16,725	15.8%	79	1:11	1:10	850.6	807.3	-0.60%	94.91%	
2017	850	13,833,920	16,275	12.7%	79	1:11	1:10	854.6	814	-0.13%	95.25%	
2016	851	13,246,559	15,566	7.8%	77	1:11	1:10	857.8	815	0.25%	95.01%	
2015	870	12,563,004	14,440	-0.9%	78	1:13	1:09	855.7	812.5	1.65%	94.95%	
2014	840	12,243,465	14,576	1.0%	81	1:12	1:90	841.8	799.04	-1.60%	94.92%	

**Sources:** District records, ASSA

**Note:** Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**RUNNEMEDE SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

	<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>
<b>District Building</b>										
<b><u>Elementary</u></b>										
Bingham Elementary (1929)										
Square Feet	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050	25,050
Capacity (Students)	191	191	191	191	191	191	191	191	191	191
Enrollment	194	210	188	183	180	172		176	171	171
Downing Elementary (1930)										
Square Feet	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315	23,315
Capacity (Students)	162	162	162	162	162	162	162	162	162	162
Enrollment	168	159	160	169	184	172		141	121	132
<b>Middle School</b>										
Volz Middle School (1956)										
Square Feet	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268	70,268
Capacity (Students)	468	468	468	468	468	468	468	468	468	468
Enrollment	478	501	503	498	488	496		520	513	515
<b>Other</b>										
Garage										
Square Feet	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132	2,132

Number of Schools at June 30, 2022

- Elementary = 2
- Middle = 1
- High School = 0
- Other = 1

**Source:** District records, ASSA

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of any additions. Enrollment is based on the annual October District count.

**RUNNEMEDE SCHOOL DISTRICT**  
**GENERAL FUND**  
**SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES**  
**LAST TEN FISCAL YEARS**  
*(UNAUDITED)*

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

<u>School Facilities</u>	<u>Gross Square Footage</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Bingham School	25,050	\$ 63,062	\$ 33,969	\$ 63,813	\$ 32,955	\$ 31,511	\$ 40,032	\$ 30,464	\$ 22,126	\$ 13,781	\$ 26,960
Downing School	23,315	70,285	41,752	51,852	29,202	42,176	42,585	34,375	19,654	16,543	19,995
Volz School	70,268	60,587	82,208	86,197	64,858	117,253	62,064	114,203	88,845	84,184	44,401
<b>Total School Facilities</b>		<u>193,934</u>	<u>157,929</u>	<u>201,862</u>	<u>127,015</u>	<u>190,940</u>	<u>144,681</u>	<u>179,042</u>	<u>130,625</u>	<u>114,508</u>	<u>91,356</u>
Other Facilities	2,132										
<b>Grand Total</b>		<u>\$ 193,934</u>	<u>\$ 157,929</u>	<u>\$ 201,862</u>	<u>\$ 127,015</u>	<u>190,940</u>	<u>\$ 144,681</u>	<u>\$ 179,042</u>	<u>\$ 130,625</u>	<u>\$ 114,508</u>	<u>\$ 91,356</u>

**RUNNEMEDE SCHOOL DISTRICT**  
**INSURANCE SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
(UNAUDITED)

Company	Type of Coverage	Coverage	Deductible
NJ School Boards Association			
Insurance Group			
	Building and Contents (All Locations)		
	Blanket Real & Personal Property	\$ 500,000,000	\$ 5,000
	Blanket Extra Expense	50,000,000	5,000
	Equipment Breakdown	100,000,000	25,000
	Valuable Papers	10,000,000	5,000
	Pollutant Cleanup & Removal	250,000	5,000
	General Liability	11,000,000	
	Automobile Liability	11,000,000	
	Worker's Compensation		
	Professional & Clerical	8,113,419	
	Non-Professional & Driver	586,482	
	Employer	3,000	
	Crime & Bonds		
	Faithful Performance	250,000	1,000
	Forgery & Alteration	25,000	500
	Money & Securities	10,000	500
	Money Orders/Counterfeit	25,000	500
	Computer Fraud	100,000	500
	Catastrophic Student Accident Coverage		
	Accident Medical Expense Benefit	6,000,000	
	Catastrophic Cash Benefit	1,000,000	
	Surety Bonds		
	Treasurer	200,000	1,000
	Board Secretary	200,000	1,000

**SINGLE AUDIT SECTION**



# NIGHTLINGER, COLAVITA & VOLPA

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## INDEPENDENT AUDITOR'S 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

The Honorable President and  
Members of the Board of Education  
Runnemede School District  
County of Camden, New Jersey 08078

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, 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 Runnemede School District, in the County of Camden, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board of Education of the Runnemede School District's basic financial statements, and have issued our report thereon dated November 24, 2023.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Runnemede Board of Education'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 Runnemede Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Runnemede Board of Education's internal control.

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

*A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Runnemede Board of Education'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* and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

**Purpose of this Report**

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

Respectfully Submitted,

**NIGHTLINGER, COLAVITA & VOLPA, PA**



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
November 24, 2023

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08

The Honorable President and  
Members of the Board of Education  
Runnemede School District  
County of Camden, New Jersey 08078

### 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 Runnemede School District, in the County of Camden, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit 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 Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's major federal and state programs for the year ended June 30, 2023. The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

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

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

We are required to be independent of The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey 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 Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's compliance with the compliance requirements referred to above.

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

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey's federal and state programs.

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

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB 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 Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey'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 Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey'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 OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the Runnemede School District, in the County of Camden, State of New Jersey'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 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 program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance 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 and New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA  
Licensed Public School Accountant  
No. 915  
November 24, 2023

**RUNNEMEDE SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Schedule A**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures of Prior Year (A)	Adjustment / Repayment Balance	Balance at June 30, 2023		
					From	To							(Accounts Receivable)	Unearned Revenue	Due to Grantor
<b>U.S. Department of Health and Human Services:</b>															
General Fund															
Medicaid Assistance Program	93.778	2205NJ5MAP	N/A	\$ 50,690	7/1/22	6/30/23	\$	\$ 50,690	\$ (50,690)	\$	\$ (50,690)	\$	\$	\$	\$
Total General Fund								50,690	(50,690)		(50,690)				
<b>U.S. Department of Agriculture</b>															
<b>Passed-through State Department of Education:</b>															
Enterprise Fund:															
Child Nutrition Cluster:															
Cash Assistance:															
School Breakfast Program	10.553	221NJ304N1099	N/A	47,107	7/1/22	6/30/23		44,088	(47,107)		(47,107)		(3,019)		
School Breakfast Program	10.553	211NJ304N1099	N/A	115,238	7/1/21	6/30/22	(7,325)	7,325							
National School Lunch Prog.	10.555	221NJ304N1099	N/A	145,008	7/1/22	6/30/23		137,888	(145,008)		(145,008)		(7,120)		
National School Lunch Prog.	10.555	211NJ304N1099	N/A	304,715	7/1/21	6/30/22	(17,105)	17,105							
P-EBT Administrative Cost Re	10.649	202322S900941	N/A	653	7/1/22	6/30/23			(653)		(653)		(653)		
Supply Chain Assistance	10.555	221NJ344N8903	N/A	30,216	7/1/22	6/30/23		30,216	(30,216)		(30,216)				
Emerg. Operational Cost Proc	10.555	202121H170341	N/A	20,374	7/1/21	6/30/22	(20,374)	20,374							
Non-Cash Assistance:															
Food Distribution Program	10.565	Unknown	N/A	14,571	7/1/22	6/30/23	42	14,571	(14,543)		(14,543)			28	
Food Distribution Program	10.565	Unknown	N/A	9,594	7/1/21	6/30/22			(42)		(42)				
Total Enterprise Fund								(44,762)	271,567	(237,569)	(237,569)		(10,792)	28	
<b>U.S. Department of Education</b>															
<b>Passed-through State Department of Education:</b>															
Special Revenue Fund:															
ESEA															
Title I	84.010	S010A220030	ESEA4590-23	152,008	7/1/22	9/30/23		122,709	(145,964)		(145,964)		(23,255)		
Title I	84.010	S010A210030	ESEA4590-22	160,352	7/1/21	9/30/22	(20,248)	20,248							
Title II A	84.367A	S367A220029	ESEA4590-23	27,069	7/1/22	9/30/23		17,679	(26,855)		(26,855)		(9,176)		
Title II A	84.367A	S367A210029	ESEA4590-22	28,037	7/1/21	9/30/22	(5,852)	5,852							
Title IV A	84.424A	S424A220031	ESEA4590-23	12,906	7/1/22	9/30/23		12,906	(12,906)		(12,906)				
IDEA Cluster:															
I.D.E.A. Part B Basic	84.027	H027A220100	IDEA4590-23	265,857	7/1/22	9/30/23		254,848	(265,856)		(265,856)		(11,008)		
I.D.E.A. Part B Basic	84.027	H027A210100	IDEA4590-22	270,983	7/1/21	9/30/22	(10,556)	10,556							
ARP IDEA Part B-Basic	84.027X	H027X210100	IDEA4590-22	48,182	7/1/21	9/30/22	(1,069)		(236)		(236)	1,069	(236)		
I.D.E.A. Part B, Pre-school	84.173	H173A220114	IDEAPS4590-23	13,408	7/1/22	9/30/23		13,408	(13,408)		(13,408)				
ARP IDEA Preschool	84.173X	H173X210114	IDEAPS4590-22	4,100	7/1/21	9/30/22									
Education Stabilization Fund:															
CRRSA Consolidated:															
CRRSA-ESSER II	84.425D	S425D210027	CRRSA-4590-23	529,660	3/13/20	9/30/23	(4,582)	183,148	(209,502)		(209,502)		(30,936)		
CR Learning Acceleration	84.425D	S425D210027	CRRSA-4590-23	33,991	3/13/20	9/30/23			(4,192)		(4,192)		(4,192)		
CR Mental Health	84.425D	S425D210027	CRRSA-4590-23	45,000	3/13/20	9/30/23	(547)	29,621	(32,781)		(32,781)		(3,707)		
ARP Consolidated:															
ARP ESSER	84.425U	S425U210027	ARP-4590-24	1,190,377	3/13/20	9/30/24	(27,053)	377,715	(425,783)		(425,783)		(75,121)		
Accelerated Learning	84.425U	S425U210027	ARP-4590-24	75,635	3/13/20	9/30/24	(4,242)	4,242							
Summer Learning	84.425U	S425U210027	ARP-4590-24	40,000	3/13/20	9/30/24		21,280	(21,280)		(21,280)				
Beyond the School Day	84.425U	S425U210027	ARP-4590-24	40,000	3/13/20	9/30/24			(6,942)		(6,942)		(6,942)		
NJTSS Mental Health Staffing	84.425U	S425U210027	ARP-4590-24	45,000	3/13/20	9/30/24			(3,348)		(3,348)		(3,348)		
Total Special Revenue Fund								(74,149)	1,074,212	(1,169,053)	(1,169,053)	1,069	(167,921)		
Total Federal Financial Awards								\$ (118,911)	\$ 1,396,469	\$ (1,457,312)	\$ (1,457,312)	\$ 1,069	\$ (178,713)	\$ 28	\$

(A) There were no awards passed through to subrecipients.

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

**RUNNEMEDE SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - Schedule B**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

EXHIBIT K-4

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From To		Balance at June 30, 2022				Cash Received	Budgetary Expenditures	Repayment of Prior Year Balance	Balance at June 30, 2023			MEMO	
					(Accounts Receivable)	Unearned Revenue	Due To Grantor	Carry/Over				(Accounts Receivable)	Unearned Revenue	Due To Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>																
<b>General Fund:</b>																
Equalization Aid	23-495-034-5120-078	\$ 5,566,026	7/1/22	6/30/23	\$	\$	\$	\$	\$ 5,012,256	\$ (5,566,026)	\$	\$ (553,770)	\$	\$ (553,770)	\$ (5,566,026)	
Special Education Aid	23-495-034-5120-089	481,898	7/1/22	6/30/23					433,953	(481,898)		(47,945)		(47,945)	(481,898)	
School Choice Aid	23-495-034-5120-068	92,856	7/1/22	6/30/23					83,618	(92,856)		(9,238)		(9,238)	(92,856)	
Transportation Aid	23-495-034-5120-014	166,787	7/1/22	6/30/23					150,193	(166,787)		(16,594)		(16,594)	(166,787)	
Security Aid	23-495-034-5120-084	175,149	7/1/22	6/30/23					157,723	(175,149)		(17,426)		(17,426)	(175,149)	
Extraordinary Aid	23-495-034-5120-044	485,780	7/1/22	6/30/23						(485,780)		(485,780)			(485,780)	
Extraordinary Aid	22-495-034-5120-044	287,272	7/1/21	6/30/22	(337,012)				337,012							
Non-public Transportation Aid		N/A	3,120	7/1/22	6/30/23					(3,120)		(3,120)			(3,120)	
Non-public Transportation Aid		N/A	3,480	7/1/21	6/30/22	(3,770)			3,770							
Reimbursed TPAF Social Security Co	23-495-034-5094-003	530,620	7/1/21	6/30/22					483,769	(530,620)		(46,851)			(530,620)	
Reimbursed TPAF Social Security Co	22-495-034-5094-003	452,341	7/1/21	6/30/22	(22,207)				22,207							
Homeless Tuition Aid		N/A	9,462	7/1/22	6/30/23					(9,462)		(9,462)			(9,462)	
Homeless Tuition Aid		N/A	12,449	7/1/21	6/30/22	(12,452)			12,452							
Maintenance of Equity Aid			27,380	7/1/22	6/30/23					(27,380)		(27,380)			(27,380)	
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	2,149,692	7/1/22	6/30/23					2,149,692	(2,149,692)					(2,149,692)	
On-Behalf TPAF Post Retirement Mer	23-495-034-5094-001	564,719	7/1/22	6/30/23					564,719	(564,719)					(564,719)	
On-Behalf Long-term Disability	23-495-034-5094-004	953	7/1/22	6/30/23					953	(953)					(953)	
<b>Total General Fund</b>					<b>(375,441)</b>				<b>9,412,317</b>	<b>(10,254,442)</b>		<b>(1,217,566)</b>		<b>(644,973)</b>	<b>(10,254,442)</b>	
<b>Special Revenue Fund:</b>																
Preschool Expansion Aid	23-495-034-5120-086	1,448,634	7/1/22	6/30/23					57,542							
Preschool Expansion Aid	22-495-034-5120-087	38,492	7/1/21	6/30/22	(113,416)	57,542			(57,542)							
<b>N.J. Nonpublic Aid:</b>																
Security Aid	23-100-034-5120-509	25,830	7/1/22	6/30/23												
Security Aid	22-100-034-5120-509	24,675	7/1/21	6/30/22					25,830	(25,770)			60		(25,770)	
Textbook Aid	23-100-034-5120-064	8,316	7/1/22	6/30/23					8,316	(8,316)					(8,316)	
Textbook Aid	22-100-034-5120-064	8,614	7/1/21	6/30/22												
Nursing Aid	23-100-034-5120-070	14,112	7/1/22	6/30/23					14,112	(14,110)			2		(14,110)	
Nursing Aid	22-100-034-5120-070	14,382	7/1/21	6/30/22			4				(4)					
Technology Aid	23-100-034-5120-373	5,292	7/1/22	6/30/23					5,292	(5,292)					(5,292)	
<b>Auxiliary Services:</b>																
Compensatory Education Aid	23-100-034-5120-067	43,683	7/1/22	6/30/23					43,683	(36,073)			7,610		(36,073)	
Compensatory Education Aid	22-100-034-5120-067	52,255	7/1/21	6/30/22			12,273				(12,273)					
Transportation Aid	23-100-034-5120-067	18,219	7/1/22	6/30/23					18,219	(8,698)			9,521		(8,698)	
Transportation Aid	22-100-034-5120-067	15,392	7/1/21	6/30/22			9,161				(9,161)					
<b>Handicapped Services:</b>																
Supplemental Instruction Aid	23-100-034-5120-066	8,260	7/1/22	6/30/23					8,260	(4,626)			3,634		(4,626)	
Supplemental Instruction Aid	22-100-034-5120-066	23,475	7/1/21	6/30/22			7,764				(7,764)					
Examination & Classification Aid	23-100-034-5120-066	14,595	7/1/22	6/30/23					14,595	(10,043)			4,552		(10,043)	
Examination & Classification Aid	22-100-034-5120-066	22,489	7/1/21	6/30/22			6,258				(6,258)					
Corrective Speech	23-100-034-5120-066	13,020	7/1/22	6/30/23					13,020	(6,882)			6,138		(6,882)	
Corrective Speech	22-100-034-5120-066	20,963	7/1/21	6/30/22			9,393				(9,393)					
SDA Emergent Needs & Capital Main	22-100-034-5120-086	17,844	7/1/21	6/30/22					17,844	(17,844)					(17,844)	
<b>Total Special Revenue Fund</b>					<b>(113,416)</b>	<b>57,542</b>	<b>44,853</b>		<b>1,618,358</b>	<b>(1,642,359)</b>	<b>(44,853)</b>	<b>(112,863)</b>	<b>1,471</b>	<b>31,517</b>	<b>(112,863)</b>	<b>(1,642,359)</b>
<b>State Department of Agriculture:</b>																
<b>Enterprise Fund:</b>																
School Breakfast Prog.		921	7/1/22	6/30/23					863	(921)		(58)			(921)	
School Lunch Prog.	23-100-010-3350-023	5,504	7/1/22	6/30/23					5,217	(5,504)		(287)			(5,504)	
School Lunch Prog.	22-100-010-3350-023	7,175	7/1/21	6/30/22	(394)				394							
<b>Total Enterprise Fund</b>					<b>(394)</b>				<b>6,474</b>	<b>(6,425)</b>		<b>(345)</b>			<b>(6,425)</b>	
<b>Total State Financial Assistance</b>					<b>\$ (489,251)</b>	<b>\$ 57,542</b>	<b>\$ 44,853</b>	<b>\$</b>	<b>\$ 11,037,149</b>	<b>\$ (11,903,226)</b>	<b>\$ (44,853)</b>	<b>\$ (1,330,774)</b>	<b>\$ 1,471</b>	<b>\$ 31,517</b>	<b>\$ (757,836)</b>	<b>\$ (11,903,226)</b>
<b>Less: On-Behalf TPAF Pension System Contributions</b>																
On-Behalf TPAF Pension Contribution	23-495-034-5094-002	2,149,692	7/1/22	6/30/23					\$ 2,149,692	\$ (2,149,692)						
On-Behalf TPAF Post Retirement Mer	23-495-034-5094-001	564,719	7/1/22	6/30/23					564,719	(564,719)						
On-Behalf Long-term Disability	23-495-034-5094-004	953	7/1/22	6/30/23					953	(953)						
<b>Total State Financial Assistance - Major Program Determinations</b>									<b>\$ 8,321,785</b>	<b>\$ (9,187,862)</b>						

**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO THE SCHEDULES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**  
**JUNE 30, 2023**

**NOTE 1: GENERAL**

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

**NOTE 2: BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey Treasury Circular OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$25,848) for the general fund and \$553 for the special revenue fund. See Note A (Notes to Required Supplemental Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:



**RUNNEMEDE BOARD OF EDUCATION**  
**NOTES TO THE SCHEDULES OF AWARDS**  
**AND FINANCIAL ASSISTANCE**

**JUNE 30, 2023**

(Continued)

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 50,690	\$ 10,228,594	\$ 10,279,284
Special Revenue Fund	1,169,053	1,322,912	2,491,965
Food Service Fund	237,569	6,425	243,994
Total Awards & Financial Assistance	<u>\$ 1,457,312</u>	<u>\$ 11,557,931</u>	<u>\$ 13,015,243</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING**

The Runnemeade School District had no outstanding loans as of June 30, 2023.

**NOTE 6: OTHER**

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

**NOTE 7: SCHOOLWIDE PROGRAM FUNDS**

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

**NOTE 8: MAJOR PROGRAMS**

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

**NOTE 9: ADJUSTMENTS**

There was a \$1,069 adjustment needed on the Schedule of Federal Award (Schedule A) and none on the Schedule of State Financial Assistance. There was a repayment to the State of \$44,853.

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

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

2) Significant deficiencies identified? \_\_\_\_\_ yes  X  no

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes  X  no

**Federal Awards**

Internal control over major programs:

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

2) Significant deficiencies identified? \_\_\_\_\_ yes  X  no

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a)? \_\_\_\_\_ yes  X  no

Identification of major programs:

<b>CFDA Number(s)</b>	<b><u>FAIN Number(s)</u></b>	<b>Name of Federal Program or Cluster</b>
84.425:		Education Stabilization Fund:
84.425D	S425D210027	CRRSA-ESSER II
84.425D	S425D210027	CR Learning Acceleration
84.425D	S425D210027	CR Mental Health
84.425U	S425U210027	ARP ESSER III
84.425U	S425U210027	Accelerated Learning
84.425U	S425U210027	Summer Learning
84.425U	S425U210027	Beyond the School Day
84.425U	S425U210027	NJTSS Mental Health Staffing

Dollar threshold used to distinguish between type A and type B programs (section .518): \$ 750,000

Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no

**RUNNEMEDE SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
**(continued)**

**Section I - Summary of Auditor's Results (continued)**

**State Awards**

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

Auditee qualified as low-risk auditee?   X   yes     \_\_\_\_\_ no

Internal control over major programs:

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

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

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

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

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
23-495-034-5120-003	Reimbursed TPAF SS Contribution
23-495-034-5120-086	Preschool Expansion Aid

**RUNNEMEDE SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
(continued)

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

**Finding: None**

**Criteria or specific requirement:**

**Condition:**

**Effect:**

**Cause:**

**Recommendation:**

**Views of responsible officials and planned corrective actions:**

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

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

**FEDERAL AWARDS**

**Finding:** None

**Information on the federal program:**

**Criteria or specific requirement:**

**Condition:**

**Questioned Costs:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Views of responsible officials and planned corrective actions:**

**STATE AWARDS**

**Finding:** None

**Information on the state program:**

**Criteria or specific requirement:**

**Condition:**

**Questioned Costs:**

**Context:**

**Effect:**

**Cause:**

**Recommendation:**

**Management's response:**

**RUNNEMEDE SCHOOL DISTRICT**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED**  
**COSTS AS PREPARED BY MANAGMENT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a)(b) and New Jersey OMB's Treasury Circular 15-08.

**STATUS OF PRIOR - YEAR FINDINGS**            **NONE**