

**Annual Comprehensive  
Financial Report**

**of the**

**Sussex-Wantage Regional School District  
Board of Education**

**Sussex, New Jersey**

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

**Prepared by**

**Sussex-Wantage Regional School District  
Board Office**

**SUSSEX-WANTAGE REGIONAL  
SCHOOL DISTRICT**

**Sussex-Wantage Regional School District  
Sussex, New Jersey**

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

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INTRODUCTORY SECTION  
(UNAUDITED)

BOARD OF EDUCATION  
**SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT**

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ADMINISTRATIVE ASSISTANT

NANCY SISTO  
ADMINISTRATIVE ASSISTANT

December 22, 2023

The Honorable President and Members of  
the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex  
Sussex, New Jersey

Dear Honorable President and Board Members:

The annual comprehensive financial report of the Sussex-Wantage Regional School District for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Sussex-Wantage Regional School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly 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: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Sussex-Wantage Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in Codification Section 2100. All funds of the District are included in this report. The Sussex-Wantage Regional Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2022-2023 fiscal year with an average daily enrollment of 1,049 students, an increase of 8 students from the previous year's average daily enrollment.

(2) ECONOMIC CONDITION AND OUTLOOK: The economic condition of the municipalities comprising the District to be influenced by the slow population growth. There was a net increase of ratables in Sussex Borough of 0.08%, while Wantage Township ratables increased 0.15%. Despite this, the percentage of commercial ratables to the total ratables is considerably less than in most areas in the State of New Jersey.

(3) MAJOR INITIATIVES: The total amount of state Aid for the 2022-2023 school year decreased (\$369,953) from the level of the 2021-2022 funding. Despite this, the District was able to maintain class sizes against all grade levels.

There are several areas that the District has focused on during the 2022-2023 school year and beyond. These included a combination of short term, immediate areas for growth coupled with long range instructional programming. Our levels of focus include:

1. Enhancing Tier I (MTSS) interventions, data collections, and data monitoring
2. Enhancing ELA instructional strategies (aligned with new series K-5)
3. Integrating wellness and mindfulness strategies district-wide for both faculty and students.
4. Planning for and integrating Pre-K utilizing Preschool Expansion Aid.

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

5) INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP.

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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



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

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

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

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

The Board is a member of the School Alliance Insurance Fund ("SAIF"). The SAIF is a risk-sharing public entity risk management fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to their members. The School Alliance Insurance Fund oversees risk management for the District. A schedule of insurance coverage is found on Exhibit J-20.

9) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

The auditors' report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The auditors' reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

The Honorable President and Members of  
the Board of Education  
Sussex-Wantage Regional School District  
Page 4  
December 22, 2023

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

Respectfully submitted,

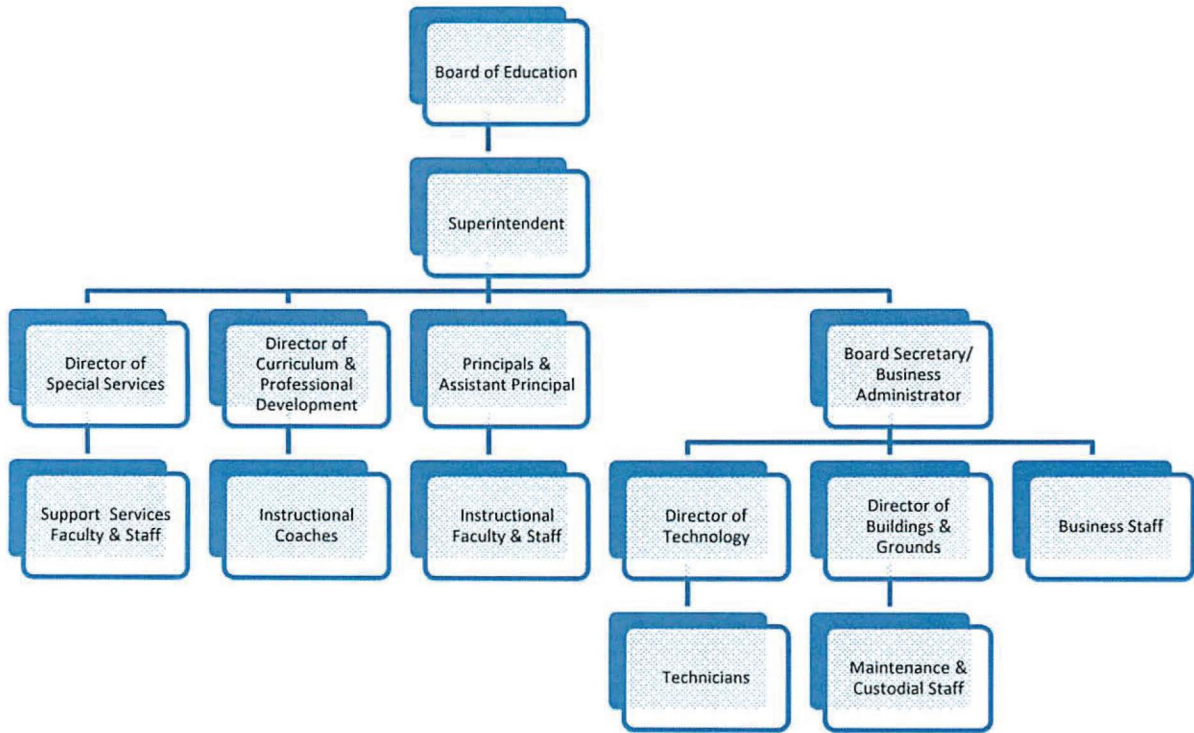


Michael Gall  
Superintendent of Schools



Christina Riker  
Business Administrator/Board Secretary

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
Organizational Chart  
(Unit Control)



**SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
 ROSTER OF OFFICIALS  
 JUNE 30, 2023**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Nicholas D'Agostino, President	2023
Dorothy Witte, Vice President	2024
Kristen Cooper-Trinidad	2023
Courtney DeWaal Malefyt	2023
Brittney Simmons	2025
Taylor Dely	2025
Stephanie Tortorella	2025
Danielle Zill-Barry	2024
Alissa Cecchini	2024

<u>Other Officers</u>	<u>Title</u>
Michael Gall	Superintendent
Christina Riker	Business Administrator/Board Secretary
Grant W. Rome, Treasurer	Treasurer

# SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

Consultants and Advisors

## **Audit Firm**

Nisivoccia LLP, CPAs  
Mount Arlington Corporate Center  
200 Valley Road Suite 300  
Mount Arlington, NJ 07856-1320  
and  
Lawrence Business Park  
11 Lawrence Road  
Newton, NJ 07860  
and  
1140 Route 22 East, Suite 203  
Bridgewater, NJ 08807

## **Attorney**

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7 James Street  
Florham Park, NJ 07932

## **Official Depository**

Lakeland Bancorp Inc.  
250 Oak Ridge Road  
Oak Ridge, NJ 07438-8906

## **Architect**

Parette Somjen Architects, LLC  
439 Route 46 East  
Rockaway, NJ 07866

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey

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

#### ***Opinions***

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

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

#### ***Basis for Opinion***

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

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

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

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

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

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

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

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

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

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

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



***Supplementary Information***

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

***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

December 22, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

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

**Overview of the Financial Statements**

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

- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District’s operations in *more* detail than the District-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- *Proprietary funds* statements offer *short-* and *long-term* financial information about the activities the District operates like a business, such as food services and the Care program.
- *Notes to Basic Financial Statements*: Provide additional information essential to a full understanding of the district-wide and fund financial statements.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District’s budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Organization of the School District’s Financial Report**

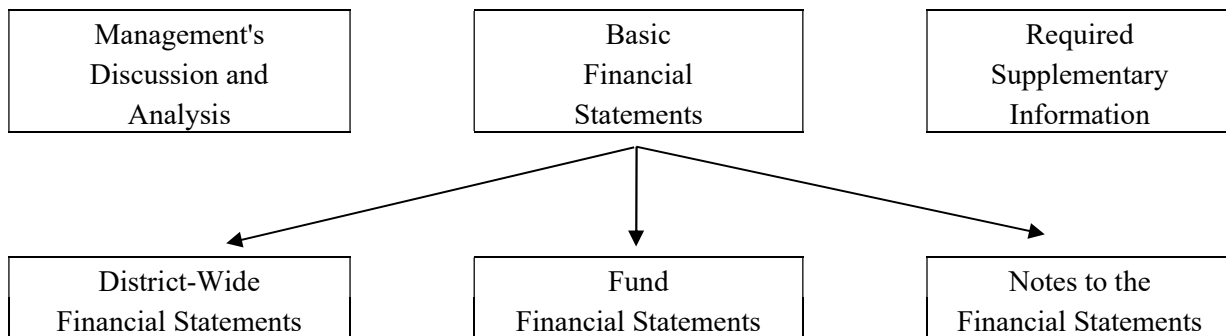


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

**Figure A-2**

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

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

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

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

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

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

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

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

## ***Fund Financial Statements***

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

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

The District has two kinds of funds:

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

**Notes to the Basic Financial Statements:**

Provide additional information essential to a full understanding of the District-wide and fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District’s combined net position increased by \$92,178. Net position from governmental activities decreased by \$11,228 and net position from business-type activities increased by \$103,406. Net investment in capital assets increased by \$121,449, restricted net position decreased by \$885,037, and unrestricted net position increased by \$855,766.

**Figure A-3**

	<b>Condensed Statement of Net Position</b>						Percentage Change 2022/2023
	Governmental Activities		Business-Type Activities		Total School District		
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	
<b>Assets:</b>							
Current and							
Other Assets	\$ 7,693,579	\$ 8,706,474	\$ 502,955	\$ 372,878	\$ 8,196,534	\$ 9,079,352	
Capital Assets, Net	8,048,043	7,936,886	58,560	48,268	8,106,603	7,985,154	
Total Assets	<u>15,741,622</u>	<u>16,643,360</u>	<u>561,515</u>	<u>421,146</u>	<u>16,303,137</u>	<u>17,064,506</u>	-4.46%
Deferred Outflows of Resources	<u>603,757</u>	<u>408,973</u>			<u>603,757</u>	<u>408,973</u>	47.63%
<b>Liabilities:</b>							
Other Liabilities	1,416,721	1,383,468	59,483	22,520	1,476,204	1,405,988	
Long-Term Liabilities	5,146,071	4,257,282			5,146,071	4,257,282	
Total Liabilities	<u>6,562,792</u>	<u>5,640,750</u>	<u>59,483</u>	<u>22,520</u>	<u>6,622,275</u>	<u>5,663,270</u>	16.93%
Deferred Inflows of Resources	<u>979,791</u>	<u>2,597,559</u>			<u>979,791</u>	<u>2,597,559</u>	-62.28%
<b>Net Position:</b>							
Investment in							
Capital Assets	8,048,043	7,936,886	58,560	48,268	8,106,603	7,985,154	
Restricted	5,426,640	6,311,677			5,426,640	6,311,677	
Unrestricted/(Deficit)	<u>(4,671,887)</u>	<u>(5,434,539)</u>	<u>443,472</u>	<u>350,358</u>	<u>(4,228,415)</u>	<u>(5,084,181)</u>	
Total Net Position	<u>\$ 8,802,796</u>	<u>\$ 8,814,024</u>	<u>\$ 502,032</u>	<u>\$ 398,626</u>	<u>\$ 9,304,828</u>	<u>\$ 9,212,650</u>	1.00%

*Changes in Net Position.* The District’s combined net position was \$9,304,828 on June 30, 2023, an increase of \$92,178 or 1.00% more than it was the year before (See Figure A-3). Net Investment in Capital Assets increased by \$121,449 due to the \$260,752 of current year capital assets additions and \$562,636 of construction in progress offset by the \$701,939 of depreciation expense. Restricted net position decreased by \$885,037 due to the decrease in excess surplus of \$618,120, the board and budgeted withdrawals from the Capital Reserve of \$1,543,748 and the budgeted withdrawal from Maintenance Reserve of \$250,000 offset by the \$696,265 Board resolution transfer to the Capital Reserve and the return of \$559,241 of unexpended funds to the Capital Reserve, the \$250,000 Board transfer to the Maintenance Reserve, the \$21,616 increase in the Unemployment Compensation restricted fund balance and the \$291 decrease in the Student Activities restricted fund balance. The unrestricted net position increased by \$855,766 due primarily to the change in pension related deferred inflows and outflows, the unexpended budget appropriations, as well as the increase in net pension liability and the increase in year-end encumbrances.

**Figure A-4**

**Changes in Net Position from Operating Results**

	Governmental Activities 2022/2023	Business- Type Activities 2022/2023	Governmental Activities 2021/2022	Business- Type Activities 2021/2022	Total School District 2021/2022	Total School District 2020/2021	Percentage Change 2021/2022
<b>Revenue:</b>							
<b>Program Revenue:</b>							
Charges for Services	\$ 172,122	\$ 384,361	\$ 154,087	\$189,638	\$ 556,483	\$ 343,725	
Operating Grants and Contributions	6,016,122	282,964	8,065,132	620,610	6,299,086	8,685,742	
Capital Grants and Contributions							
<b>General Revenue:</b>							
Property Taxes	16,968,153		16,643,603		16,968,153	16,643,603	
Unrestricted State and Federal Aid	3,898,277		4,217,744		3,898,277	4,217,744	
Other	147,440	5,842	101,112	305	153,282	101,417	
<b>Total Revenue</b>	<b>27,202,114</b>	<b>673,167</b>	<b>29,181,678</b>	<b>810,553</b>	<b>27,875,281</b>	<b>29,992,231</b>	<b>-7.06%</b>
<b>Expenses:</b>							
Instruction	15,453,505		16,427,391		15,453,505	16,427,391	
Pupil and Instruction Services	4,185,423		4,355,528		4,185,423	4,355,528	
Administrative and Business	2,059,508		2,094,513		2,059,508	2,094,513	
Maintenance and Operations	2,263,929		2,121,315		2,263,929	2,121,315	
Transportation	1,648,513		1,641,600		1,648,513	1,641,600	
Capital Outlay							
Other	1,602,464	569,761	1,388,597	640,145	2,172,225	2,028,742	
<b>Total Expenses</b>	<b>27,213,342</b>	<b>569,761</b>	<b>28,028,944</b>	<b>640,145</b>	<b>27,783,103</b>	<b>28,669,089</b>	<b>-3.09%</b>
<b>Increase/(Decrease) in</b>							
Net Position	\$ (11,228)	\$ 103,406	\$ 1,152,734	\$170,408	\$ 92,178	\$ 1,323,142	-93.03%

**Governmental Activities**

The financial position of the District improved slightly in the current year. However, maintaining existing programs for regular pupil enrollment and the provision of special programs and services for disabled pupils place great demands on the District’s resources.

Careful management of expenses remains essential for the District to sustain its financial health.

It is crucial that the District examine its expenses carefully. Staff, parental and student demands for salary increases, new activities and programs must be evaluated thoroughly.

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

The net cost shows the financial burden placed on the District’s taxpayers by each of the following functions:

**Figure A-5**

	<b>Net Cost of Governmental Activities</b>			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2022/2023</u>	<u>2022/2023</u>	<u>2021/2022</u>	<u>2021/2022</u>
Instruction	\$ 15,453,505	\$ 10,873,315	\$ 16,427,391	\$10,480,089
Pupil and Instruction Services	4,185,423	3,254,564	4,355,528	3,228,236
Administrative and Business	2,059,508	2,059,508	2,094,513	1,972,429
Maintenance and Operations	2,263,929	2,263,929	2,121,315	1,977,004
Transportation	1,648,513	971,318	1,641,600	763,370
Other	1,602,464	1,602,464	1,388,597	1,388,597
	<u>\$ 27,213,342</u>	<u>\$ 21,025,098</u>	<u>\$ 28,028,944</u>	<u>\$ 19,809,725</u>

**Business-Type Activities**

The District’s business-type activities increased by \$103,406. The increase is due primarily to the cessation of the Seamless Summer Program with a resulting decrease in federal and state subsidy reimbursements and operating expenses and a return to normal school food operations with a large increase in daily food sales as well as an excess in Care Program fees over expenses.

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

The District’s financial position decreased in the current year primarily due to fund balance utilized to support the budget offset by unexpended budget appropriations in the General Fund. As the number of low-income students rises, so do the expenditures related to meeting their additional needs.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget several times. The budget was amended for transfers to prevent over-expenditures of specific line item accounts.



## Capital Assets

Figure A-6

### Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Percentage
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	Change
Construction in Progress	\$ 1,642,580	\$ 1,079,944			\$ 1,642,580		
Buildings and Building Improvements	4,537,065	4,751,516			4,537,065	\$ 4,751,516	
Site Improvements	1,317,303	1,455,239			1,317,303	1,455,239	
Machinery and Equipment	551,095	650,187	\$ 58,560	\$ 48,268	609,655	698,455	
<b>Total Capital Assets (Net of Depreciation)</b>	<b>\$ 8,048,043</b>	<b>\$ 7,936,886</b>	<b>\$ 58,560</b>	<b>\$ 48,268</b>	<b>\$ 8,106,603</b>	<b>\$ 6,905,210</b>	<b>17.40%</b>

During the current fiscal year, the District had capital additions of \$823,388 and depreciated \$701,939 of its capital assets.

## Long-term Liabilities

At year-end, the District had \$5,146,071 in long-term liabilities outstanding – an increase of \$888,789 from last year – as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 8 to the financial statements.)

Figure A-7

### Outstanding Long-Term Liabilities

	Total School District		Percentage
	2022/2023	2021/2022	Change
Net Pension Liability	\$ 4,395,971	\$ 3,466,320	
Compensated Absences Payable	750,100	790,962	
<b>Total Long-Term Liabilities</b>	<b>\$ 5,146,071</b>	<b>\$ 4,257,282</b>	<b>20.88%</b>

The District’s long-term liabilities increased by \$888,789 or 20.88% due to the increase in net pension liability of \$929,651, offset by the decrease in compensated absences payable of \$40,862.

## Factors Bearing on the District’s Future

The Sussex-Wantage Regional School District remains financially stable even with continued uncertainty in State funding and the long-lasting effects of the COVID-19 pandemic that began in mid-March 2020. The District has and will continue to maintain programs and class size despite the uncertainty.

The District will continue to look at ways to contain and cut costs, in addition to, working to ensure the health, safety and well-being of our students and staff.

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

This financial report is designed to provide the District's citizens, taxpayers, customers and creditors with a general overview of the School District's finances and to reflect the School District's accountability for the money it receives. Questions about this report or additional financial information needs should be directed to Christina Riker, School Business Administrator, Sussex-Wantage Regional Board of Education, 27 Bank Street, Sussex, New Jersey.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 4,467,319	\$ 470,212	\$ 4,937,531
Internal Balances	74,119	(74,119)	
Receivables from State Government	790,709	1,557	792,266
Receivables from Federal Government	476,761	40,206	516,967
Other Accounts Receivable	2,598	42,728	45,326
Inventories		22,371	22,371
Restricted Assets:			
Cash and Cash Equivalents	1,882,073		1,882,073
Capital Assets, Net:			
Construction in Progress	1,642,580		1,642,580
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	6,405,463	58,560	6,464,023
Total Assets	<u>15,741,622</u>	<u>561,515</u>	<u>16,303,137</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred Outflows Related to Pensions	603,757		603,757
Total Deferred Outflows of Resources	<u>603,757</u>		<u>603,757</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,354,697	1,630	1,356,327
Payable to State Government	24,253		24,253
Unearned Revenue	37,771	57,853	95,624
Noncurrent Liabilities:			
Due Within One Year	79,379		79,379
Due Beyond One Year	5,066,692		5,066,692
Total Liabilities	<u>6,562,792</u>	<u>59,483</u>	<u>6,622,275</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Deferred Inflows Related to Pensions	979,791		979,791
Total Deferred Inflows of Resources	<u>979,791</u>		<u>979,791</u>
<u>NET POSITION</u>			
Investment in Capital Assets	8,048,043	58,560	8,106,603
Restricted for:			
Capital Projects	969,622		969,622
Maintenance Reserve	250,000		250,000
Excess Surplus	3,544,567		3,544,567
Unemployment Compensation	522,689		522,689
Student Activities	139,762		139,762
Unrestricted/(Deficit)	<u>(4,671,887)</u>	<u>443,472</u>	<u>(4,228,415)</u>
Total Net Position	<u>\$ 8,802,796</u>	<u>\$ 502,032</u>	<u>\$ 9,304,828</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 8,860,833	\$ 21,980	\$ 1,842,822		\$ (7,018,011)		\$ (7,018,011)
Special Education	5,253,713		2,482,710		(2,749,023)		(2,749,023)
Other Special Instruction	909,690		217,023		(692,667)		(692,667)
School Sponsored	429,269		15,655		(413,614)		(413,614)
Support Services:							
Tuition	567,997		250,231		(317,766)		(317,766)
Student and Instruction Related Services	3,617,426	65,868	614,760		(2,936,798)		(2,936,798)
General Administrative Services	506,125				(506,125)		(506,125)
School Administrative Services	1,000,550				(1,000,550)		(1,000,550)
Central Services	356,853				(356,853)		(356,853)
Administrative Information Technology	195,980				(195,980)		(195,980)
Plant Operations and Maintenance	2,263,929				(2,263,929)		(2,263,929)
Pupil Transportation	1,648,513	84,274	592,921		(971,318)		(971,318)
Unallocated Depreciation	568,445				(568,445)		(568,445)
Transfer of Funds to Charter School	1,034,019				(1,034,019)		(1,034,019)
Total Governmental Activities	27,213,342	172,122	6,016,122		(21,025,098)		(21,025,098)
Business-Type Activities:							
Food Service	459,783	251,760	282,964			\$ 74,941	74,941
Care Program	109,978	132,601				22,623	22,623
Total Business-Type Activities	569,761	384,361	282,964			97,564	97,564
Total Primary Government	\$ 27,783,103	\$ 556,483	\$ 6,299,086	\$ -0-	(21,025,098)	97,564	(20,927,534)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenue:			
Property Taxes, Levied for General Purposes	\$ 16,968,153		\$ 16,968,153
Federal and State Aid not Restricted	3,898,277		3,898,277
Interest Earnings	21,616	\$ 5,842	27,458
Miscellaneous Income	125,824		125,824
Total General Revenues	21,013,870	5,842	21,019,712
Change in Net Position	(11,228)	103,406	92,178
Net Position - Beginning	8,814,024	398,626	9,212,650
Net Position - Ending	\$ 8,802,796	\$ 502,032	\$ 9,304,828

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

FUND FINANCIAL STATEMENTS



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 4,439,682		\$ 27,637	\$ 4,467,319
Interfund Receivable	394,573			394,573
Receivables From State Government	790,709			790,709
Receivables From Federal Government		\$ 476,761		476,761
Other Accounts Receivable	2,540	58		2,598
Restricted Cash and Cash Equivalents	1,742,311	139,762		1,882,073
<b>Total Assets</b>	<b>\$ 7,369,815</b>	<b>\$ 616,581</b>	<b>\$ 27,637</b>	<b>\$ 8,014,033</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 883,442	\$ 94,791		\$ 978,233
Interfund Payable		320,454		320,454
Payable to State Government		24,253		24,253
Unearned Revenue	450	37,321		37,771
<b>Total Liabilities</b>	<b>883,892</b>	<b>476,819</b>		<b>1,360,711</b>
<b>Fund Balances:</b>				
<b>Restricted:</b>				
Excess Surplus - Restricted for 2024-2025	1,452,515			1,452,515
Excess Surplus - Restricted for 2023-2024	2,092,052			2,092,052
Capital Reserve Account	969,622			969,622
Maintenance Reserve Account	250,000			250,000
Unemployment Compensation	522,689			522,689
Student Activities		139,762		139,762
Committed			\$ 27,637	27,637
<b>Assigned:</b>				
Year-end Encumbrances	1,153,074			1,153,074
Unassigned	45,971			45,971
<b>Total Fund Balances</b>	<b>6,485,923</b>	<b>139,762</b>	<b>27,637</b>	<b>6,653,322</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 7,369,815</b>	<b>\$ 616,581</b>	<b>\$ 27,637</b>	<b>\$ 8,014,033</b>
Amounts Reported for <i>Governmental Activities</i> in the Statement of Net Position (A-1) are Different Because:				
Fund Balance from Above				\$ 6,653,322
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.				8,048,043
Long-Term Liabilities, are not Due and Payable in the Current Period and Therefore are not Reported as Liabilities in the Funds.				(750,100)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.				(4,395,971)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:				
Deferred Outflows				227,293
Deferred Inflows				(979,791)
<b>Net Position of Governmental Activities</b>				<b>\$ 8,802,796</b>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES:				
Local Sources:				
Local Tax Levy	\$ 16,968,153			\$ 16,968,153
Tuition	21,980			21,980
Transportation Fees	84,274			84,274
Restricted Miscellaneous Revenue	21,616	\$ 65,868		87,484
Unrestricted Miscellaneous Revenue	123,938	1,886		125,824
Total - Local Sources	17,219,961	67,754		17,287,715
State Sources	11,264,023	86,823		11,350,846
Federal Sources	115,859	1,162,265		1,278,124
Total Revenues	28,599,843	1,316,842		29,916,685
EXPENDITURES:				
Current:				
Regular Instruction	5,739,390	413,571		6,152,961
Special Education Instruction	3,444,716	82,620		3,527,336
Other Special Instruction	830,476			830,476
School-Sponsored	62,983			62,983
Support Services and Undistributed Costs:				
Tuition	317,766	250,231		567,997
Student and Other Instruction Related Services	2,373,050	492,312		2,865,362
General Administrative Services	472,665			472,665
School Administrative Services	745,641			745,641
Central Services	337,719			337,719
Administrative Information Technology	189,849			189,849
Plant Operations and Maintenance	2,159,266			2,159,266
Student Transportation	1,582,976			1,582,976
Unallocated Benefits	9,559,754			9,559,754
Capital Outlay	753,657	78,399		832,056
Transfer of Funds to Charter School	1,034,019			1,034,019
Total Expenditures	29,603,927	1,317,133		30,921,060
Excess/(Deficit) of Revenue Over/(Under) Expenditures	(1,004,084)	(291)		(1,004,375)
Fund Balance - July 1	7,490,007	140,053	\$ 27,637	7,657,697
Fund Balance - June 30	\$ 6,485,923	\$ 139,762	\$ 27,637	\$ 6,653,322

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (1,004,375)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

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 differ from depreciation in the period.

	Depreciation Expense	\$ (683,789)	
	Capital Outlays	<u>794,946</u>	
			111,157

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Change in Net Pension Liability	(929,651)
Change in Deferred Outflows	153,011
Change in Deferred Inflows	<u>1,617,768</u>

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

40,862

Change in net position of governmental activities (A-2) \$ (11,228)

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Major Fund</u>	<u>Non-Major</u>	<u>Total</u>
	<u>Food Service</u>	<u>Fund</u>	
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 284,260	\$ 185,952	\$ 470,212
Intergovernmental Accounts Receivable:			
State	1,557		1,557
Federal	40,206		40,206
Other Accounts Receivable	24,047	18,681	42,728
Inventories	22,371		22,371
Total Current Assets	<u>372,441</u>	<u>204,633</u>	<u>577,074</u>
Non-Current Assets:			
Capital Assets	307,218		307,218
Accumulated Depreciation	(248,658)		(248,658)
Total Non-Current Assets	<u>58,560</u>		<u>58,560</u>
Total Assets	<u>431,001</u>	<u>204,633</u>	<u>635,634</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable		1,630	1,630
Interfund Payable	74,119		74,119
Unearned Revenue - Supply Chain Assistance	17,355		17,355
Unearned Revenue - Donated Commodities	9,200		9,200
Unearned Revenue - Prepaid Sales/Fees	4,136	27,162	31,298
Total Current Liabilities	<u>104,810</u>	<u>28,792</u>	<u>133,602</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	58,560		58,560
Unrestricted	267,631	175,841	443,472
Total Net Position	<u>\$ 326,191</u>	<u>\$ 175,841</u>	<u>\$ 502,032</u>

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major	Total
	Food Service	Fund	
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 245,443		\$ 245,443
Daily Sales - Non-Reimbursable Programs	6,317		6,317
Child Care Fees		\$ 132,601	132,601
Total Operating Revenue	251,760	132,601	384,361
Operating Expenses:			
Cost of Goods Sold - Reimbursable Programs	206,583		206,583
Cost of Goods Sold - Non-Reimbursable Programs	5,317		5,317
Salaries	157,144	106,505	263,649
Employee Benefits and Payroll Taxes	43,324		43,324
Purchased Services	18,650	1,261	19,911
Supplies and Materials	10,615	2,212	12,827
Depreciation	18,150		18,150
Total Operating Expenses	459,783	109,978	569,761
Operating Income/(Loss)	(208,023)	22,623	(185,400)
Non-Operating Revenue:			
State Sources:			
School Breakfast Program	532		532
State School Lunch Program	7,192		7,192
Federal Sources:			
School Breakfast Program	35,532		35,532
National School Lunch Program	160,843		160,843
Supply Chain Assistance	41,965		41,965
Food Distribution Program	36,900		36,900
Local Sources:			
Interest Revenue	5,842		5,842
Total Non-Operating Revenue	288,806		288,806
Change in Net Position	80,783	22,623	103,406
Net Position - Beginning of Year	245,408	153,218	398,626
Net Position - End of Year	\$ 326,191	\$ 175,841	\$ 502,032

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Funds		
	Major Fund	Non-Major	Total
	Food Service	Fund	
Cash Flows for Operating Activities:			
Receipts from Customers	\$ 251,887	\$ 144,940	\$ 396,827
Payments for Salaries, Payroll Taxes and Benefits	(200,468)	(104,875)	(305,343)
Payments to Suppliers	(218,936)	(3,473)	(222,409)
Net Cash Provided by/(Used for) Operating Activities	(167,517)	36,592	(130,925)
Cash Flows from Noncapital Financing Activities:			
Federal and State Sources Received in Food Service Fund	220,329		220,329
Net Cash Provided by Noncapital Financing Activities	220,329		220,329
Cash Flows from Investing Activities:			
Interest on Investments	5,842		5,842
Net Cash Provided by Investing Activities	5,842		5,842
Net Increase in Cash and Cash Equivalents	58,654	36,592	95,246
Cash and Cash Equivalents, July 1	225,606	149,360	374,966
Cash and Cash Equivalents, June 30	\$ 284,260	\$ 185,952	\$ 470,212
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities			
Operating Income/(Loss)	\$ (208,023)	\$ 22,623	\$ (185,400)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	18,150		18,150
Food Distribution Program	36,900		36,900
Changes in Assets and Liabilities:			
Increase/(Decrease) in Inventory	(4,902)		(4,902)
(Increase)/Decrease in Other Accounts Receivable	(23,737)	(2,158)	(25,895)
Increase/(Decrease) in Accounts Payable		1,630	1,630
Increase/(Decrease) in Interfund Payable	10,615		10,615
Increase/(Decrease) in Unearned Revenue:			
Donated Commodities	3,353		3,353
Prepaid Sales/Fees	127	14,497	14,624
Net Cash Provided by/(Used for) Operating Activities	\$ (167,517)	\$ 36,592	\$ (130,925)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$40,253 and utilized commodities valued at \$36,900 for the fiscal year ended June 30, 2023.

The General Fund purchased \$28,442 of equipment on behalf of the Food Service Fund which is included in the interfund payable to the General Fund at June 30, 2023.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

B. Basis of Presentation (Cont'd)

program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

B. Basis of Presentation (Cont'd)

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting

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

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for fiscal year ending June 30, 2023 was submitted to the County office and was approved

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

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

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

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 28,563,687	\$ 1,644,793
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis Does Not:		
Prior Year Encumbrances		124,917
Current Year Encumbrances		(452,868)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	562,553	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(526,397)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 28,599,843	\$ 1,316,842

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

Uses/Outflows of Resources:

Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 29,603,927	\$ 1,645,084
Differences - Budgetary to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Prior Year Encumbrances		124,917
Current Year Encumbrances		(452,868)
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 29,603,927	\$ 1,317,133

E. Cash and Cash Equivalents and Investments

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. 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 the enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as unearned revenue at fiscal year end.

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

K. Capital Assets:

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

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

	Estimated Useful Life
Buildings and Building Improvements	40 years
Site Improvements	20 years
Machinery and Equipment	10 to 12 years

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

L. Lease Assets

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

M. Subscription Assets

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

N. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premiums and discounts are amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

O. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2023, the amount earned by these employees but not disbursed was \$699,401.

P. Compensated Absences

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

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

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.

Q. Lease Payable

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

R. Subscription Payable

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

S. Unearned Revenue

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

T. Fund Balance Appropriated:

General Fund: Of the \$6,485,923 General Fund fund balance at June 30, 2023, \$969,622 is restricted in a capital reserve; \$250,000 is restricted in a maintenance reserve; \$2,092,052 is restricted as prior year excess surplus which has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2024; \$1,452,515 is restricted as current year excess surplus and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2025; \$1,153,074 is assigned for year-end encumbrances; \$522,689 is restricted for unemployment compensation. Additionally, there is \$45,971 of unassigned fund balance which is \$526,397 less than the actual year-end unassigned fund balance, on a GAAP Basis, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2024.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

T. Fund Balance Appropriated:

Special Revenue Fund: The entire \$139,762 fund balance at June 30, 2023 is restricted for student activities.

Capital Projects Fund: The entire \$27,637 fund balance at June 30, 2023 is committed.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus as noted on the prior page.

Unassigned General Fund fund balance is \$526,397 less on a GAAP basis than budgetary basis as of June 30, 2023 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record these state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments as noted on the prior page.

U. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2023 related to pensions.

The District had deferred inflows of resources at June 30, 2023 related to pensions.

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

U. Net Position: (Cont'd)

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

V. Deficit Net Position

There is a deficit in unrestricted governmental activities net position of \$4,671,887 which is primarily a result of compensated absences payable, net pension liability and the related deferred inflows and outflows offset by assigned and unassigned General Fund fund balances. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established for excess surplus, unemployment compensation and student activities, a maintenance reserve and a capital reserve.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources at June 30, 2023 in the Capital Projects Fund.

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

X. Revenue - Exchange and Nonexchange Transactions:

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

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

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

Y. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and Care Program fees. Operating expenses are necessary costs incurred to provide the services that are the primary activities of the Enterprise Funds.

Z. Management Estimates:

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

AA. Pensions:

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, money market accounts, and short-term investments with original maturities of three months or less.

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

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

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

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed in the section of this note on investments.

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

Deposits:

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

Deposits: (Cont'd)

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund establish pursuant to section 1 of P.L. 1977,C.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.) ;
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

Investments: (Cont'd)

- (e) a master repurchase agreement providing for the custody and security of collateral is executed; or
- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents				Total
		Capital Reserve	Maintenance Reserve	Unemployment Compensation	Student Activities	
Checking Accounts	\$ 4,937,531	\$ 969,622	\$ 250,000	\$ 522,689	\$ 139,762	\$ 6,819,604

The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$6,819,604 and the bank balance was \$7,531,998.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account in the amount of \$400,000 was established by Board resolution on June 26, 2013 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District’s approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2022	\$ 1,257,864
Add:	
Unexpended Balance of Budgeted Withdrawal	559,241
Deposit - Board Resolution June 29, 2023	696,265
Less:	
Board Resolution Withdrawal	(373,991)
Budgeted Withdrawal	<u>(1,169,757)</u>
Ending Balance, June 30, 2023	<u>\$ 969,622</u>

The balance in the capital reserve at June 30, 2023 did not exceed the balance of local support costs of uncompleted capital projects in the District’s approved Long Range Facilities Plan. The withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District’s LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$250,000 was established by resolution on June 24, 2021. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building. Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 5. MAINTENANCE RESERVE ACCOUNT (Cont'd)

At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year's budget.

The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget. The activity of the maintenance reserve for the July 1, 2022 to June 30, 2023 fiscal year is as follows:

Beginning Balance, July 1, 2022	\$ 250,000
Add:	
Deposit - Board Resolution June 29, 2023	250,000
Less:	
Budgeted Withdrawal	<u>(250,000)</u>
Ending Balance, June 30, 2023	<u>\$ 250,000</u>

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Construction in Progress	\$ 1,079,944	\$ 562,636		\$ 1,642,580
Total Capital Assets Not Being Depreciated	<u>1,079,944</u>	<u>562,636</u>		<u>1,642,580</u>
Capital Assets Being Depreciated:				
Buildings and Building Improvements	\$ 11,845,391	216,058		12,061,449
Site Improvements	2,118,503			2,118,503
Machinery and Equipment	2,184,869	16,252		2,201,121
Total Capital Assets Being Depreciated	<u>16,148,763</u>	<u>232,310</u>		<u>16,381,073</u>
Governmental Activities Capital Assets	<u>17,228,707</u>	<u>794,946</u>		<u>18,023,653</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(7,093,875)	(430,509)		(7,524,384)
Site Improvements	(663,264)	(137,936)		(801,200)
Machinery and Equipment	(1,534,682)	(115,344)		(1,650,026)
	<u>(9,291,821)</u>	<u>(683,789)</u>		<u>(9,975,610)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 7,936,886</u>	<u>\$ 111,157</u>	<u>\$ -0-</u>	<u>\$ 8,048,043</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 278,776	\$ 28,442		\$ 307,218
Less Accumulated Depreciation	(230,508)	(18,150)		(248,658)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 48,268</u>	<u>\$ 10,292</u>	<u>\$ -0-</u>	<u>\$ 58,560</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 6. CAPITAL ASSETS (Cont'd)

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 9,047
Student and Instruction Related Services	5,762
General Administrative Services	9,849
School Administrative Services	27,516
Central Services	1,046
Plant Operations and Maintenance	17,273
Pupil Transportation	44,851
Unallocated	568,445
	<u>\$ 683,789</u>

NOTE 7: TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2023, the District made transfers to the capital outlay accounts for equipment which did not require approval of the County Superintendent. The \$177,726 transferred to the facilities acquisition and construction services accounts was for a Board approved withdrawal from the capital reserve.

NOTE 8. LONG-TERM LIABILITIES

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

	Balance 6/30/2022	Accrued	Retired	Balance 6/30/2023
Compensated Absences Payable	\$ 790,962		\$ 40,862	\$ 750,100
Net Pension Liability	3,466,320	\$ 929,651		4,395,971
	<u>\$ 4,257,282</u>	<u>\$ 929,651</u>	<u>\$ 40,862</u>	<u>\$ 5,146,071</u>

A. Bonds Authorized But Not Issued / Bonds Payable:

As of June 30, 2023, the District has no bonds authorized but not issued or bonded debt outstanding.

B. Financed Purchase and Leases Payable:

As of June 30, 2023, the District has no finance purchases or leases payable.

C. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is \$750,100. The liability for compensated absences of the governmental fund types is recorded in the long-term liabilities. The current portion is \$79,379 and \$670,721 is the long-term portion. The General Fund will be used to liquidate the Compensated Absences Payable.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

C. Compensated Absences Payable: (Cont'd)

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, no liability existed for compensated absences in the Enterprise Funds.

D. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$4,395,971. See Note 9 for further information on the PERS.

NOTE 9. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS)

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$367,331 for fiscal year 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$9,249 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2023, the District's liability was \$4,395,971 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0291%, which was a decrease of 0.0001% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit in the amount of \$473,797 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$9,249 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

	Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ 105,671
	2019	5.21		132,053
	2020	5.16		388,306
	2021	5.13		32,221
	2022	5.04	\$ 13,620	
			13,620	658,251
Changes in Proportion	2018	5.63		38,089
	2019	5.21		16,030
	2020	5.16		57,387
	2021	5.13		162,040
	2022	5.04		20,014
			293,560	
Net Difference Between Projected and Actual				
Investment Earnings on Pension Plan Investments	2019	5.00	4,349	
	2020	5.00	130,678	
	2021	5.00	(815,088)	
	2022	5.00	862,006	
			181,945	
Difference Between Expected and Actual Experience	2018	5.63		4,024
	2019	5.21	10,094	
	2020	5.16	21,634	
	2021	5.13		10,832
	2022	5.04		13,124
			31,728	27,980
District Contribution Subsequent to the Measurement Date	2022	1.00	376,464	
			\$ 603,757	\$ 979,791

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (377,082)
2024	(192,111)
2025	(93,689)
2026	204,393
2027	(450)
	\$ (458,938)

Actuarial Assumptions

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 5,647,535	\$ 4,395,971	\$ 3,330,840

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division).

For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at [www.state.nj.us/treasury/pensions/annual-reports.shtml](http://www.state.nj.us/treasury/pensions/annual-reports.shtml).

Benefits Provided

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$3,452,385 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$1,217,527.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$45,239,709. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0877%, which was a decrease of .0084% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>45,239,709</u>
Total	<u>\$ 45,239,709</u>

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$1,217,527 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions as detailed in the table on the following page.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83		
			96,143,072	
			3,013,097,864	19,441,140,477
Difference Between Expected and Actual Experience	2015	8.30	13,201,022	
	2016	8.30		21088845
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041
			699,820,974	122,664,916
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5	36,220,692	
	2020	5	482,791,080	
	2021	5	(2,665,975,358)	
	2022	5	3,319,334,659	
			1,172,371,073	
			\$ 4,885,289,911	\$ 19,563,805,393

Amounts reported by the State as collective deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense excluding that attributable to employer-paid members contributions as detailed in the table on the following page.



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

Actuarial Assumptions

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

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

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

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 53,044,520	\$ 45,239,709	\$ 38,665,136

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

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

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

For DCRP, the District recognized pension expense of \$31,678 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$58,078 for the fiscal year ended June 30, 2023.

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits are provided through Horizon Blue Cross/Blue Shield of NJ.

Property and Liability Insurance

The Sussex-Wantage Regional School District is a member of the School Alliance Insurance Fund (the "Fund"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Fund is a risk-sharing public entity risk management pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum.

Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance (Cont'd)

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

	<u>School Alliance Insurance Fund</u>
Total Assets	\$ 52,198,217
Net Position	\$ 20,990,635
Total Revenue	\$ 48,115,160
Total Expenses	\$ 48,116,040
Change in Net Position	\$ (880)
Member Dividends	\$ -0-

Financial statements for the Fund are available at the Fund's Executive Director's Office:

Public Entity Group Administrative Services  
51 Everett Drive  
Suite B-40  
West Windsor, NJ 08550  
(609) 275-1155

New Jersey Unemployment Compensation Insurance

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

<u>Fiscal Year</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ 727	\$ 20,889		\$ 522,689
2021-2022	781	37,831	\$ 37,831	501,073
2020-2021	959	61,767	41,399	500,292

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 394,573	
Special Revenue Fund		\$ 320,454
Food Service Fund		74,119
	\$ 394,573	\$ 394,573

The interfund payable in the Food Service Fund due to the General Fund is for equipment purchases and repairs paid by the General Fund on behalf of the Food Service Fund in the prior year and the current year, offset by current year subsidy claim reimbursements received in the General Fund and not turned over to the Food Service Fund. The interfund receivable in the General Fund due from the Special Revenue Fund is due to the cash deficit in the Special Revenue Fund due to the timing lag between request and receipt of grant reimbursements.

NOTE 13. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency.

The 403(b) plan administrators are as follows:

Variable Annuity Life (VALIC)	Lincoln Investment Planning
Equitable Life Insurance Company	Lincoln National Life
Metropolitan Life Insurance Company	Security Benefit Corp.

Equitable Life Insurance Company is the plan administrator for the District's Internal Revenue Code Section 457 plan.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

NOTE 14. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the local school district on predetermined mutually agreed-upon schedules.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Litigation

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

Encumbrances

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

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 1,153,074	\$ 452,868	\$ 1,605,942

On the District's Governmental Funds Balance Sheet as of June 30, 2023, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$452,868 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021  
(Continued)

NOTE 16. ACCOUNTS PAYABLE

	<u>Governmental Funds</u>		<u>District</u>	<u>Total</u>	<u>Business-Type</u>
	<u>General</u>	<u>Special</u>	<u>Contribution</u>		<u>Activities</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Subsequent to</u>	<u>Governmental</u>	<u>Proprietary</u>
	<u>Fund</u>	<u>Fund</u>	<u>Measurement</u>	<u>Activities</u>	<u>Funds</u>
			<u>Date</u>		
Vendors	\$ 57,661	\$ 94,791		\$ 152,452	\$ 1,630
Payroll Deductions and Withholdings	139,527			139,527	
Accrued Salaries and Wages	686,254			686,254	
Due to State of New Jersey			\$ 376,464	376,464	
	<u>\$ 883,442</u>	<u>\$ 94,791</u>	<u>\$ 376,464</u>	<u>\$ 1,354,697</u>	<u>\$ 1,630</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan

Plan Description and Benefits Provided (Cont'd)

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

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

Employees Covered by Benefit Terms

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

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	151,669
Active Plan Members	213,148
Total	364,817

Total Nonemployer OPEB Liability

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

Actuarial Assumptions and Other Inputs

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan

Mortality Rates

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

Health Care Trend Assumptions

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2021	\$ 67,629,460
Changes for Year:	
Service Cost	2,363,876
Interest on the Total OPEB Liability	1,529,575
Changes of Assumptions	(15,483,216)
Differences between Expected and Actual Experience	3,144,210
Gross Benefit Payments by the State	(1,515,090)
Contributions from Members	48,605
Net Changes	(9,912,040)
Balance at June 30, 2022	\$ 57,717,420

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan

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

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 67,840,756	\$ 57,717,420	\$ 49,604,072

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 47,706,975	\$ 57,717,420	\$ 70,866,747

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan

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

For the fiscal year ended June 30, 2023 the District recognized OPEB expense of \$439,803 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2022 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 2,996,751
	2018	9.51		2,859,752
	2019	9.29	\$ 403,754	
	2020	9.24	9,532,806	
	2021	9.24	52,864	
	2022	9.13		13,787,354
			<u>9,989,424</u>	<u>19,643,857</u>
Differences between Expected and Actual Experience	2018	9.51		2,703,356
	2019	9.29		4,752,205
	2020	9.24	8,884,950	
	2021	9.24		10,166,235
	2022	9.13	1,419,899	
			<u>10,304,849</u>	<u>17,621,796</u>
Changes in Proportion	N/A	N/A	<u>731,879</u>	<u>3,789,925</u>
			<u>\$ 21,026,152</u>	<u>\$ 41,055,578</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

State Health Benefit Program Fund – Local Education Retired Employees Plan

OPEB Expense and 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:

Fiscal Year Ending June 30,	Total
2023	\$ (2,868,583)
2024	(2,868,581)
2025	(2,868,581)
2026	(2,479,173)
2027	(1,417,624)
Thereafter	(4,468,838)
	\$ (16,971,380)

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportion of the net pension liability	0.0321296257%	0.0319647358%	0.0328190778%	0.0329008244%	0.0313916000%	0.0310869035%	0.0304780048%	0.0292602897%	0.0291290255%
District's proportionate share of the net pension liability	\$ 6,015,545	\$ 7,175,443	\$ 9,720,070	\$ 7,658,786	\$ 6,180,850	\$ 5,601,388	\$ 4,970,166	\$ 3,466,320	\$ 4,395,971
District's covered employee payroll	\$ 2,191,492	\$ 2,205,424	\$ 2,271,942	\$ 2,171,489	\$ 2,139,147	\$ 2,176,370	\$ 2,141,306	\$ 2,138,878	\$ 2,083,108
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	274.50%	325.35%	427.83%	352.70%	288.94%	257.37%	232.11%	162.06%	211.03%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 264,872	\$ 274,811	\$ 292,386	\$ 307,366	\$ 319,628	\$ 303,259	\$ 333,415	\$ 342,672	\$ 367,331
Contributions in relation to the contractually required contribution	(264,872)	(274,811)	(292,386)	(307,366)	(319,628)	(303,259)	(333,415)	(342,672)	(367,331)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 2,205,424	\$ 2,271,942	\$ 2,171,489	\$ 2,139,147	\$ 2,176,370	\$ 2,141,306	\$ 2,138,878	\$ 2,083,108	\$ 1,952,239
Contributions as a percentage of covered employee payroll	12.01%	12.10%	13.46%	14.37%	14.69%	14.16%	15.59%	16.45%	18.82%

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATES PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ATTRIBUTABLE TO THE DISTRICT  
ASSOCIATED WITH THE DISTRICT  
TEACHERS' PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
State's proportion of the net pension liability attributable to the District	0.0987102624%	0.0990234474%	0.0967929031%	0.0982149259%	0.0982084846%	0.0955000726%	0.0949225677%	0.0960548329%	0.0876833440%
State's proportionate share of the net pension liability attributable to the District	\$ 52,757,423	\$ 62,587,047	\$ 76,143,460	\$ 66,220,045	\$ 62,478,128	\$ 58,609,296	\$ 62,505,369	\$ 46,178,542	\$ 45,239,709
District's covered employee payroll	\$ 9,723,839	\$ 9,630,467	\$ 10,159,774	\$ 10,058,856	\$ 9,863,448	\$ 10,456,315	\$ 9,858,265	\$ 9,693,836	\$ 10,488,668
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	542.56%	649.89%	749.46%	658.33%	633.43%	560.52%	634.04%	476.37%	431.32%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE CONTRIBUTIONS  
TEACHERS' PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 2,838,845	\$ 3,821,503	\$ 5,721,122	\$ 4,587,389	\$ 3,642,256	\$ 3,456,933	\$ 3,886,850	\$ 1,086,601	\$ 1,217,527
Contributions in relation to the contractually required contribution	(535,357)	(774,962)	(1,066,097)	(1,446,265)	(1,878,255)	(2,082,015)	(2,792,198)	(3,609,622)	(3,452,385)
Contribution deficiency/(excess)	\$ 2,303,488	\$ 3,046,541	\$ 4,655,025	\$ 3,141,124	\$ 1,764,001	\$ 1,374,918	\$ 1,094,652	\$ (2,523,021)	\$ (2,234,858)
District's covered employee payroll	9,723,839	9,630,467	10,159,774	10,058,856	9,863,448	9,858,265	9,693,836	10,488,668	10,756,281
Contributions as a percentage of covered employee payroll	5.51%	8.05%	10.49%	14.38%	19.04%	21.12%	28.80%	34.41%	32.10%

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY  
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS  
LAST SIX FISCAL YEARS

	Fiscal Years Ending June 30,				
	2017	2018	2019	2020	2021
Service Cost	\$ 2,341,403	\$ 1,948,967	\$ 1,629,896	\$ 1,639,158	\$ 2,895,086
Interest on the Total OPEB Liability	2,074,882	2,398,940	2,172,888	1,731,421	1,754,379
Changes of Benefit Terms					(71,983)
Changes in Assumptions	(8,371,803)	(6,338,186)	722,906	14,282,975	66,722
Differences between Expected and Actual Experience		(7,118,728)	(9,829,462)	13,374,006	(13,869,547)
Contributions from Members	56,092	51,044	44,118	41,260	44,851
Gross Benefit Payments by the State	(1,523,308)	(1,476,893)	(1,488,325)	(1,361,257)	(1,381,960)
Net Change in Total OPEB Liability	(5,422,734)	(10,534,856)	(6,747,979)	29,707,563	(10,562,452)
Total OPEB Liability - Beginning	71,189,918	65,767,184	55,232,328	48,484,349	78,191,912
Total OPEB Liability - Ending	\$ 65,767,184	\$ 55,232,328	\$ 48,484,349	\$ 78,191,912	\$ 67,629,460
District's Covered Employee Payroll *	\$ 12,431,716	\$ 12,230,345	\$ 12,002,595	\$ 12,632,685	\$ 11,999,571
Total OPEB Liability as a Percentage of Covered Employee Payroll	529%	452%	404%	619%	564%
					488%

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

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

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

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

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

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

BUDGETARY COMPARISON SCHEDULES

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 16,968,153		\$ 16,968,153	\$ 16,968,153	
Tuition From Individuals	24,000		24,000	21,980	\$ (2,020)
Transportation Fees From Other LEAs	94,141		94,141	84,274	(9,867)
Unrestricted Miscellaneous Revenues	50,000		50,000	123,938	73,938
Other Restricted Miscellaneous Revenues				21,616	21,616
Total Revenues from Local Sources	<u>17,136,294</u>		<u>17,136,294</u>	<u>17,219,961</u>	<u>83,667</u>
Revenues from State Sources:					
School Choice Aid	33,975		33,975	33,975	
Categorical Transportation Aid	784,782		784,782	784,782	
Extraordinary Aid	581,315		581,315	665,325	84,010
Categorical Special Education Aid	833,307		833,307	833,307	
Equalization Aid	3,519,715		3,519,715	3,519,715	
Categorical Security Aid	155,733		155,733	155,733	
Nonpublic Transportation Aid	15,000		15,000	12,279	(2,721)
Tuition Reimbursement for State-Responsible Homeless Children and Youth				36,725	36,725
TPAF Post Retirement Contributions (Non-Budgeted)				919,516	919,516
TPAF Pension Contributions (Non-Budgeted)				3,452,385	3,452,385
TPAF Non-Contributory Insurance (Non-Budgeted)				47,898	47,898
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,102	1,102
Reimbursed TPAF Social Security Contributions				765,125	765,125
Total Revenues from State Sources	<u>5,923,827</u>		<u>5,923,827</u>	<u>11,227,867</u>	<u>5,304,040</u>
Revenues from Federal Sources:					
Medicaid Reimbursement	47,840		47,840	106,730	58,890
FFCRA - Medicaid Reimbursement				9,129	9,129
Total Revenues from Federal Sources	<u>47,840</u>		<u>47,840</u>	<u>115,859</u>	<u>68,019</u>
TOTAL REVENUE	<u>23,107,961</u>		<u>23,107,961</u>	<u>28,563,687</u>	<u>5,455,726</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 440,801	\$ (24,860)	\$ 415,941	\$ 415,941	
Grades 1-5 - Salaries of Teachers	2,687,887	155,577	2,843,464	2,843,464	
Grades 6-8 - Salaries of Teachers	2,124,741	9,648	2,134,389	2,134,389	
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000	(5,000)			
Other Objects	5,000		5,000	1,282	\$ 3,718
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	160,403	(102,753)	57,650	57,650	
Purchased Professional-Educational Services	139,243	(25,000)	114,243	110,231	4,012
Purchased Technical Services	3,300	(2,963)	337	337	
Other Purchased Services (400-500 series)	5,000		5,000	2,341	2,659
General Supplies	281,539	(4,649)	276,890	142,362	134,528
Textbooks	3,000		3,000		3,000
Other Objects	31,731		31,731	31,730	1
Total Regular Programs - Instruction	5,887,645		5,887,645	5,739,390	148,255
Special Education - Instruction:					
Learning and/or Language Disabilities - Mild/Moderate:					
Salaries of Teachers	308,844	80,466	389,310	389,310	
Other Salaries for Instruction	221,253	47,520	268,773	264,705	4,068
General Supplies	5,900		5,900	1,883	4,017
Textbooks	600		600		600
Total Learning and/or Language Disabilities - Mild/Moderate	536,597	127,986	664,583	655,898	8,685
Multiple Disabilities:					
Salaries of Teachers	390,445	(4,837)	385,608	332,080	53,528
Other Salaries for Instruction	339,203	9,837	349,040	349,002	38
General Supplies	5,550		5,550	1,507	4,043
Total Multiple Disabilities	735,198	5,000	740,198	682,589	57,609



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,676,035	\$ (185,438)	\$ 1,490,597	\$ 1,363,141	\$ 127,456
Other Salaries for Instruction	92,616	88,515	181,131	137,636	43,495
General Supplies	14,900		14,900	5,344	9,556
Total Resource Room/Resource Center	<u>1,783,551</u>	<u>(96,923)</u>	<u>1,686,628</u>	<u>1,506,121</u>	<u>180,507</u>
Autism:					
Salaries of Teachers	157,182	(49,250)	107,932	69,216	38,716
Other Salaries for Instruction	265,917	(84,813)	181,104	167,883	13,221
General Supplies	2,400		2,400	195	2,205
Total Autism	<u>425,499</u>	<u>(134,063)</u>	<u>291,436</u>	<u>237,294</u>	<u>54,142</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	208,428	1	208,429	168,156	40,273
Other Salaries for Instruction	172,318	(500)	171,818	167,091	4,727
General Supplies	3,650	511	4,161	1,640	2,521
Total Preschool Disabilities - Part-Time	<u>384,396</u>	<u>12</u>	<u>384,408</u>	<u>336,887</u>	<u>47,521</u>
Home Instruction:					
Salaries of Teachers	32,000		32,000	25,927	6,073
Total Home Instruction	<u>32,000</u>		<u>32,000</u>	<u>25,927</u>	<u>6,073</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>3,897,241</u>	<u>(97,988)</u>	<u>3,799,253</u>	<u>3,444,716</u>	<u>354,537</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	260,924	91,188	352,112	352,112	
General Supplies	6,200	(4,339)	1,861	1,352	509
Total Basic Skills/Remedial - Instruction	<u>267,124</u>	<u>86,849</u>	<u>353,973</u>	<u>353,464</u>	<u>509</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 33,148	\$ (10,000)	\$ 23,148	\$ 22,751	\$ 397
General Supplies	1,000	(1,000)			
Total Bilingual Education - Instruction	34,148	(11,000)	23,148	22,751	397
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	81,026	(13,861)	67,165	59,637	7,528
Purchased Services (300-500 series)	5,000		5,000	2,525	2,475
Supplies and Materials	5,000		5,000	821	4,179
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	91,026	(13,861)	77,165	62,983	14,182
Other Supplemental/At Risk Programs - Instruction:					
Salaries of Teachers	85,716	59,881	145,597	145,597	
Salaries of Reading Specialists	244,433	(11,776)	232,657	228,453	4,204
General Supplies	4,100	400	4,500	2,420	2,080
Total Other Suppl/at-risk Prog - Instruction	334,249	48,505	382,754	376,470	6,284
Other Alternative Ed Program - Instruction:					
Salaries of Teachers	63,296	14,495	77,791	77,791	
General Supplies	2,000	(2,000)			
Total Other Alternative Ed Prog - Instruction	65,296	12,495	77,791	77,791	
Total Other Alternative Education Program	65,296	12,495	77,791	77,791	-
<b>TOTAL INSTRUCTION</b>	<b>10,576,729</b>	<b>25,000</b>	<b>10,601,729</b>	<b>10,077,565</b>	<b>524,164</b>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Special	151,653		151,653	133,529	18,124
Tuition to Priv. Sch. for the Handicap. W/I State	153,839		153,839	143,967	9,872
Tuition - State Facilities	40,270		40,270	40,270	
Total Undistributed Expenditures - Instruction	345,762		345,762	317,766	27,996

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work:					
Salaries of Drop-Out Prevention Officer/Coordinators	\$ 1,000	\$ (1,000)			
Total Undist. Expend. - Attendance and Social Work	<u>1,000</u>	<u>(1,000)</u>			
Undistributed Expenditures - Health Services:					
Salaries	258,198	750	\$ 258,948	\$ 258,948	
Purchased Professional and Technical Services	2,500	13,555	16,055	16,055	
Other Purchased Services (400-500 series)	5,000	5,000	10,000	10,000	
Supplies and Materials	10,750	4,378	15,128	13,681	\$ 1,447
Other Objects	7,050	(2,436)	4,614	3,218	1,396
Total Undist. Expenditures - Health Services	<u>283,498</u>	<u>21,247</u>	<u>304,745</u>	<u>301,902</u>	<u>2,843</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	264,533		264,533	215,924	48,609
Purchased Professional - Educational Services	227,580	(18,310)	209,270	112,974	96,296
Supplies and Materials	4,125	3,010	7,135	2,004	5,131
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>496,238</u>	<u>(15,300)</u>	<u>480,938</u>	<u>330,902</u>	<u>150,036</u>
Undist. Expend.-Guidance:					
Salaries of Other Professional Staff	220,058		220,058	200,701	19,357
Total Undist Expend. - Guidance	<u>220,058</u>		<u>220,058</u>	<u>200,701</u>	<u>19,357</u>
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	996,892	(4,947)	991,945	981,101	10,844
Salaries of Secretarial and Clerical Assistants	130,691	1	130,692	130,691	1
Purchased Professional - Educational Services	13,100	(1)	13,099	10,468	2,631
Total Undist Expend. - Child Study Team	<u>1,140,683</u>	<u>(4,947)</u>	<u>1,135,736</u>	<u>1,122,260</u>	<u>13,476</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	\$ 238,583	\$ (7,885)	\$ 230,698	\$ 219,310	\$ 11,388
Salaries of Technology Coordinators	116,836	16,885	133,721	133,721	
Supplies and Materials	26,300	(9,000)	17,300	15,747	1,553
Total Undist Expend.-Edu. Media Serv./Sch. Library	381,719		381,719	368,778	12,941
Undist. Expend.-Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	20,728	6,000	26,728	24,075	2,653
Salaries of Secretarial and Clerical Assistants	23,808		23,808	20,304	3,504
Purchased Professional - Educational Service	37,000	(6,000)	31,000	3,853	27,147
Supplies and Materials	4,500		4,500	275	4,225
Other Objects	500		500		500
Total Undist. Expend.-Instructional Staff Training Services	86,536		86,536	48,507	38,029
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	247,371	(67,624)	179,747	174,962	4,785
Legal Services	50,000	3,720	53,720	53,720	
Audit Fees	67,250		67,250	34,500	32,750
Other Purchased Professional Services	36,230	2,073	38,303	38,303	
Communications / Telephone	71,057	19,433	90,490	89,461	1,029
Other Purch. Serv. (400-500 series other than 530 & 585)	65,035	(7,796)	57,239	57,238	1
General Supplies	7,100	(4,613)	2,487	1,778	709
BOE In-house training/ Meeting Supplies	500	(500)			
Miscellaneous Expenditures	13,896	(693)	13,203	11,037	2,166
BOE Membership Dues and Fees	12,000		12,000	11,666	334
Total Undist. Expend.-Support Serv.-Gen. Admin.	570,439	(56,000)	514,439	472,665	41,774

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	\$ 330,805	\$ 99,379	\$ 430,184	\$ 430,184	\$ 461
Salaries of Secretarial and Clerical Assistants	277,900	15,276	293,176	292,715	8,749
Supplies and Materials	26,150	(7,776)	18,374	9,625	3,813
Other Objects	24,430	(7,500)	16,930	13,117	13,023
Total Undist. Expend.-Support Serv.-School Adm.	659,285	99,379	758,664	745,641	
Undist. Expend. - Central Services:					
Salaries	330,175	(246)	329,929	325,327	4,602
Purchased Professional Services	9,975		9,975	5,913	4,062
Supplies and Materials	5,000	899	5,899	5,489	410
Other Objects	3,680	(653)	3,027	990	2,037
Total Undist. Expend. - Central Services	348,830		348,830	337,719	11,111
Undist. Expend. - Admin. Info. Technology:					
Salaries	110,263		110,263	110,263	
Purchased Professional Services	151,058	(10,000)	141,058	72,115	68,943
Supplies and Materials	12,853		12,853	3,720	9,133
Other Objects	10,000		10,000	3,751	6,249
Total Undist. Expend. - Admin. Info. Technology	284,174	(10,000)	274,174	189,849	84,325
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	380,641	(33,379)	347,262	338,036	9,226
Cleaning, Repair, and Maintenance Services	155,631	(11,240)	144,391	117,733	26,658
General Supplies	91,004	(31,500)	59,504	55,965	3,539
Total Undist. Expend.- Required Maint. for School Facilities	627,276	(76,119)	551,157	511,734	39,423

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Custodial Services:					
Salaries	\$ 495,328	\$ 91,096	\$ 586,424	\$ 526,866	\$ 59,558
Salaries of Non-Instructional Aides	59,558	(59,558)			
Cleaning, Repair, and Maintenance Services	153,819	(5,702)	148,117	130,907	17,210
Other Purchased Property Services	113,070	(22,737)	90,333	74,913	15,420
Insurance	219,600	32,542	252,142	252,140	2
Miscellaneous Purchased Services	106,900	7,500	114,400	106,453	7,947
General Supplies	73,570	(19,000)	54,570	52,192	2,378
Energy (Natural Gas)	125,000	33,867	158,867	158,867	
Energy (Electricity)	170,000	(3,867)	166,133	145,878	20,255
Other Objects	14,450	(6,000)	8,450	7,996	454
Total Undist. Expend.-Custodial Services	1,531,295	48,141	1,579,436	1,456,212	123,224
Security:					
Salaries	173,336	10,462	183,798	183,798	
Purchased Professional and Technical Services	9,447	(655)	8,792	5,295	3,497
General Supplies	1,500	341	1,841	1,424	417
Other Objects	500	314	814	803	11
Total Security	184,783	10,462	195,245	191,320	3,925
Total Undist. Expend.-oper. And Maint. Of Plant Serv.	2,343,354	(17,516)	2,325,838	2,159,266	166,572

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 35,439	\$ 383,670	\$ 419,109	\$ 372,016	\$ 47,093
Sal. for Pupil Trans. (Bet. Home and Sch.)-Reg.	365,670	(365,670)			
Other Purchased Professional and Technical Services	8,000		8,000	4,000	4,000
Cleaning, Repair, and Maint. Services	40,000	6,000	46,000	30,458	15,542
Rental Payments - School Buses	10,000	(166)	9,834	9,834	9,834
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	30,500		30,500	28,995	1,505
Contract. Serv.(Bet. Home & Sch.)-Vendors	728,567	56,866	785,433	785,433	
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.	113,883		113,883	93,025	20,858
Contract. Serv.(Bet. Home & Sch.)-Joint Agrmnts.	69,468		69,468	56,410	13,058
Contract. Serv.(Spl. Ed. Students)-Joint Agrmnts	236,500	(80,700)	155,800	119,237	36,563
Misc. Purchased Serv. - Transportation	150		150	63	87
Transportation Supplies	85,000		85,000	71,735	13,265
Other Objects	52,292		52,292	21,604	30,688
Total Undist. Expend.-Student Trans. Serv.	<u>1,775,469</u>		<u>1,775,469</u>	<u>1,582,976</u>	<u>192,493</u>
UNALLOCATED BENEFITS					
Social Security Contributions	350,000	(6,622)	343,378	342,762	616
Other Retirement Contributions - PERS	334,691	32,640	367,331	367,331	
Other Retirement Contributions - Regular		31,678	31,678	31,678	
Workers Compensation	187,053	(25,603)	161,450	161,449	1
Health Benefits	3,661,350	(215,070)	3,446,280	3,358,344	87,936
Tuition Reimbursement	62,000	(5,658)	56,342	55,904	438
Other Employee Benefits	36,500	19,760	56,260	56,260	
Unused Sick Payment to Terminated/Retired Staff	38,158	(38,158)			
TOTAL UNALLOCATED BENEFITS	<u>4,669,752</u>	<u>(207,033)</u>	<u>4,462,719</u>	<u>4,373,728</u>	<u>88,991</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)			\$	919,516	\$ (919,516)
TPAF Pension Contributions (Non-Budgeted)				3,452,385	(3,452,385)
TPAF Non-Contributory Insurance (Non-Budgeted)				47,898	(47,898)
TPAF Long-Term Disability Insurance (Non-Budgeted)				1,102	(1,102)
Reimbursed TPAF Social Security Contributions				765,125	(765,125)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				5,186,026	(5,186,026)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 4,669,752	\$ (207,033)	\$ 4,462,719	9,559,754	(5,097,035)
TOTAL UNDISTRIBUTED EXPENDITURES	13,606,797	(191,170)	13,415,627	17,738,686	(4,323,059)
TOTAL GENERAL CURRENT EXPENSE	24,183,526	(166,170)	24,017,356	27,816,251	(3,798,895)
CAPITAL OUTLAY					
Equipment					
Kindergarten	4,466	(4,466)			
Grades 1-5	23,000	8,154	31,154	20,808	10,346
Grades 6-8	3,000	(3,000)			
Undistributed:					
Undistributed Expenditures - School Admin.	200,642	9,740	9,740	9,304	436
Undistributed Expenditures - Admin. Info. Tech.	3,000	(688)	200,642	170,176	30,466
Undist. Expend. - Required Maint for School Fac.	234,108	9,740	2,312	2,312	2,312
Total Equipment			243,848	200,288	43,560
Facilities Acquisition and Construction Serv.:					
Other Purchased Prof. and Tech. Services	185,162		185,162	155,993	29,169
Construction Services	1,773,475	373,991	2,147,466	396,103	1,751,363
Assessment for Debt Service on SDA Funding	1,273	1,273	1,273	1,273	
Total Facilities Acquisition and Const. Serv.	1,959,910	373,991	2,333,901	553,369	1,780,532
TOTAL CAPITAL OUTLAY	2,194,018	383,731	2,577,749	753,657	1,824,092



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Transfer of Funds to Charter Schools	\$ 877,589	\$ 156,430	\$ 1,034,019	\$ 1,034,019	
<b>TOTAL EXPENDITURES</b>	27,255,133	373,991	27,629,124	29,603,927	\$ (1,974,803)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(4,147,172)	(373,991)	(4,521,163)	(1,040,240)	3,480,923
Fund Balance, July 1	8,052,560		8,052,560	8,052,560	
Fund Balance, June 30	\$ 3,905,388	\$ (373,991)	\$ 3,531,397	\$ 7,012,320	3,480,923
<u>Recapitulation:</u>					
Restricted Fund Balance:				\$ 1,452,515	
Excess Surplus - Restricted For 2024-2025				2,092,052	
Excess Surplus - Restricted For 2023-2024				969,622	
Capital Reserve				250,000	
Maintenance Reserve				522,689	
Unemployment Compensation					
Assigned Fund Balance:				1,153,074	
Year End Encumbrances				572,368	
Unassigned Fund Balance				7,012,320	
Reconciliation to Governmental Funds Statement (GAAP):				(526,397)	
Last State Aid Payments not Recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)	\$			6,485,923	

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS  
SPECIAL REVENUE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources		\$ 68,159	\$ 68,159	\$ 67,754	(405)
State Sources		115,064	115,064	83,032	(32,032)
Federal Sources	\$ 2,275,588	310,734	2,586,322	1,494,007	(1,092,315)
<b>Total Revenues</b>	<b>2,275,588</b>	<b>493,957</b>	<b>2,769,545</b>	<b>1,644,793</b>	<b>(1,124,752)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	540,987	26,687	567,674	292,837	274,837
Purchased Professional and Technical Services	103,201	(94,457)	8,744	2,676	6,068
Tuition	225,000	31,758	256,758	243,091	13,667
General Supplies	292,042	126,471	418,513	274,255	144,258
<b>Total Instruction</b>	<b>1,161,230</b>	<b>90,459</b>	<b>1,251,689</b>	<b>812,859</b>	<b>438,830</b>
<b>Support Services:</b>					
Salaries of Other Professional Staff	216,237	73,928	290,165	146,791	143,374
Personal Services - Employee Benefits	161,000	14,435	175,435	72,973	102,462
Purchased Professional and Technical Services	136,451	197,724	334,175	234,340	99,835
Other Purchased Services		26,192	26,192		26,192
Supplies and Materials	80,670	(11,208)	69,462	44,395	25,067
Student Activities		66,159	66,159	66,159	
<b>Total Support Services</b>	<b>594,358</b>	<b>367,230</b>	<b>961,588</b>	<b>564,658</b>	<b>396,930</b>
<b>Facilities Acquisition and Construction Services:</b>					
Non-Instructional Equipment	520,000	36,268	556,268	267,567	288,701
<b>Total Facilities Acquisition and Construction Services</b>	<b>520,000</b>	<b>36,268</b>	<b>556,268</b>	<b>267,567</b>	<b>288,701</b>
<b>Total Expenditures</b>	<b>\$ 2,275,588</b>	<b>\$ 493,957</b>	<b>\$ 2,769,545</b>	<b>\$ 1,645,084</b>	<b>\$ 1,124,461</b>
<b>Deficit of Revenue Under Expenditures</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ (291)</b>	<b>\$ (291)</b>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 28,563,687	\$ 1,644,793
Differences - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not:		
Prior Year Encumbrances		124,917
Current Year Encumbrances		(452,868)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	562,553	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(526,397)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 28,599,843</u>	<u>\$ 1,316,842</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 29,603,927	\$ 1,645,084
Differences - Budgetary to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Prior Year Encumbrances		124,917
Current Year Encumbrances		<u>(452,868)</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 29,603,927</u>	<u>\$ 1,317,133</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

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

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	I.D.E.A. Part B		COVID-19 ARP - I.D.E.A. Part B Basic		Elementary and Secondary Education Act FY23 & FY22		Title IV
	Basic	Preschool	Title IA	Title IA - SIA	Title II - Part A	Title IV	
<b>REVENUES:</b>							
Local Sources							
State Sources							
Federal Sources							
Total Revenues	\$ 542,706	\$ 21,390	\$ 42,455	\$ 122,620	\$ 1,805	\$ 10,106	\$ 3,861
	542,706	21,390	42,455	122,620	1,805	10,106	3,861
<b>EXPENDITURES:</b>							
Instruction:							
Salaries of Teachers	57,766			80,000			
Purchased Professional and Technical Services							
Tuition	241,313		1,778				
General Supplies	424		24,207	276	1,805		
Total Instruction	299,503		25,985	80,276	1,805		
Support Services:							
Salaries of Other Professional Staff	70,687	21,390					
Personal Services - Employee Benefits				42,344		8,915	1,029
Purchased Professional and Technical Services	172,516		2,202			1,191	2,832
Supplies and Materials			14,268				
Student Activities							
Total Support Services	243,203	21,390	16,470	42,344		10,106	3,861
Facilities Acquisition and Construction Services:							
Non-Instructional Equipment							
Total Facilities Acquisition and Construction Services							
Total Expenditures	\$ 542,706	\$ 21,390	\$ 42,455	\$ 122,620	\$ 1,805	\$ 10,106	\$ 3,861

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CRRSA		ARP		
	Learning Acceleration	Mental Health	ESSER III	Mental Health Support Staffing	Homeless Children and Youth II
REVENUES:	ESSER II				
Local Sources					
State Sources	\$ 148,882	\$ 13,344	\$ 42,000	\$ 529,951	\$ 3,931
Federal Sources	148,882	13,344	42,000	529,951	3,931
Total Revenues					
EXPENDITURES:					
Instruction:					
Salaries of Teachers			112,152		
Purchased Professional and Technical Services					
Tuition	28,778		197,050		
General Supplies	28,778		309,202		
Total Instruction					
Support Services:					
Salaries of Other Professional Staff	39,621	13,344		1,749	
Personal Services - Employee Benefits	30,629				
Purchased Professional and Technical Services					10,956
Supplies and Materials	1,287		23,000		
Student Activities			19,000		3,931
Total Support Services	71,537	13,344	42,000	1,749	3,931
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	48,567				
Total Facilities Acquisition and Construction Services	48,567				
Total Expenditures	\$ 148,882	\$ 13,344	\$ 42,000	\$ 529,951	\$ 3,931
					\$ 10,956



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Chapter 192 Auxiliary Aid	Chapter 193 Nonpublic Handicapped Aid	Corrective Speech
	Compensatory Education	Examination and Classification	Supplementary Instruction
REVENUES:			
Local Sources			
State Sources	\$ 24,115	\$ 11,247	\$ 7,557
Federal Sources			
Total Revenues	<u>24,115</u>	<u>11,247</u>	<u>7,557</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	24,115	11,247	7,557
Purchased Professional and Technical Services			
Tuition			
General Supplies			
Total Instruction	<u>24,115</u>	<u>11,247</u>	<u>7,557</u>
Support Services:			
Salaries of Other Professional Staff			
Personal Services - Employee Benefits			6,278
Purchased Professional and Technical Services			
Supplies and Materials			
Student Activities			
Total Support Services			<u>6,278</u>
Facilities Acquisition and Construction Services:			
Non-Instructional Equipment			
Total Facilities Acquisition and Construction Services			
Total Expenditures	<u>\$ 24,115</u>	<u>\$ 11,247</u>	<u>\$ 7,557</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Local Grants	Nonpublic					Student Activities	Totals
		Textbooks	Nursing	Technology Initiative	Security			
<b>REVENUES:</b>								
Local Sources	\$ 1,886	\$ 4,290	\$ 9,444	\$ 2,676	\$ 17,425	\$ 65,868	\$ 67,754	
State Sources							83,032	
Federal Sources							1,494,007	
<b>Total Revenues</b>	<b>1,886</b>	<b>4,290</b>	<b>9,444</b>	<b>2,676</b>	<b>17,425</b>	<b>65,868</b>	<b>1,644,793</b>	
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers				2,676			292,837	
Purchased Professional and Technical Services							2,676	
Tuition		4,290			17,425		243,091	
General Supplies							274,255	
<b>Total Instruction</b>		<b>4,290</b>		<b>2,676</b>	<b>17,425</b>		<b>812,859</b>	
<b>Support Services:</b>								
Salaries of Other Professional Staff							146,791	
Personal Services - Employee Benefits							72,973	
Purchased Professional and Technical Services			9,444				234,340	
Supplies and Materials	1,886					66,159	44,395	
Student Activities							66,159	
<b>Total Support Services</b>	<b>1,886</b>		<b>9,444</b>			<b>66,159</b>	<b>564,658</b>	
<b>Facilities Acquisition and Construction Services:</b>								
Non-Instructional Equipment							267,567	
<b>Total Facilities Acquisition and Construction Services</b>							<b>267,567</b>	
<b>Total Expenditures</b>	<b>\$ 1,886</b>	<b>\$ 4,290</b>	<b>\$ 9,444</b>	<b>\$ 2,676</b>	<b>\$ 17,425</b>	<b>\$ 66,159</b>	<b>\$ 1,645,084</b>	

CAPITAL PROJECTS FUND

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGETARY BASIS  
CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Fund Balance - Beginning	\$ 27,637
Fund Balance - Ending	<u>\$ 27,637</u>
 <u>Recapitulation:</u>	
Committed	<u>\$ 27,637</u>
Fund Balance per Governmental Funds (GAAP)/(Budgetary)	<u>\$ 27,637</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE  
AND PROJECT STATUS - BUDGETARY BASIS  
SOLAR PANEL PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Contribution from Private Source	\$ 70,680		\$ 70,680	\$ 70,680
Total Revenue and Other Financing Sources	<u>70,680</u>		<u>70,680</u>	<u>70,680</u>
Expenditures:				
Purchased Professional and Technical Services	43,043		43,043	70,680
Total Expenditures	<u>43,043</u>		<u>43,043</u>	<u>70,680</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under)Expenditures	<u>\$ 27,637</u>	<u>\$ -0-</u>	<u>\$ 27,637</u>	<u>\$ -0-</u>
Additional Project Information:				
Project Number(s)	N/A			
Grant Date(s)	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 20,000			
Additional Funds	\$ 50,680			
Revised Authorized Cost	<u>\$ 70,680</u>			
Change Order Percentage	253.40%			
Percentage Completion	60.90%			
Original Target Completion Date	06/30/13			
Revised Target Completion Date	06/30/24			

PROPRIETARY FUNDS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023

	<u>Major Fund</u> Food Service	<u>Non-Major</u> Fund Care Program	<u>Total</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 284,260	\$ 185,952	\$ 470,212
Intergovernmental Accounts Receivable:			
State	1,557		1,557
Federal	40,206		40,206
Other Accounts Receivable	24,047	18,681	42,728
Inventories	22,371		22,371
Total Current Assets	<u>372,441</u>	<u>204,633</u>	<u>577,074</u>
Non-Current Assets:			
Capital Assets	307,218		307,218
Accumulated Depreciation	(248,658)		(248,658)
Total Non-Current Assets	<u>58,560</u>		<u>58,560</u>
Total Assets	<u>431,001</u>	<u>204,633</u>	<u>635,634</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Accounts Payable		1,630	1,630
Interfund Payable	74,119		74,119
Unearned Revenue - Supply Chain Assistance	17,355		17,355
Unearned Revenue - Donated Commodities	9,200		9,200
Unearned Revenue - Prepaid Sales/Fees	4,136	27,162	31,298
Total Current Liabilities	<u>104,810</u>	<u>28,792</u>	<u>133,602</u>
<b>NET POSITION:</b>			
Investment in Capital Assets	58,560		58,560
Unrestricted	267,631	175,841	443,472
Total Net Position	<u>\$ 326,191</u>	<u>\$ 175,841</u>	<u>\$ 502,032</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Major Fund</u> <u>Food</u> <u>Service</u>	<u>Non-Major</u> <u>Fund</u> <u>Care Program</u>	<u>Total</u>
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 245,443		\$ 245,443
Daily Sales - Non Reimbursable Programs	6,317		6,317
Child Care Fees		\$ 132,601	132,601
Total Operating Revenue	<u>251,760</u>	<u>132,601</u>	<u>384,361</u>
Operating Expenses:			
Cost of Goods Sold - Reimbursable Programs	206,583		206,583
Cost of Goods Sold - Non-Reimbursable Programs	5,317		5,317
Salaries	157,144	106,505	263,649
Employee Benefits and Payroll Taxes	43,324		43,324
Purchased Services	18,650	1,261	19,911
Supplies and Materials	10,615	2,212	12,827
Depreciation	18,150		18,150
Total Operating Expenses	<u>459,783</u>	<u>109,978</u>	<u>569,761</u>
Operating Income/(Loss)	<u>(208,023)</u>	<u>22,623</u>	<u>(185,400)</u>
Non-Operating Revenue:			
State Sources:			
School Breakfast Program	532		532
State School Lunch Program	7,192		7,192
Federal Sources:			
School Breakfast Program	35,532		35,532
National School Lunch Program	160,843		160,843
Supply Chain Assistance	41,965		41,965
Food Distribution Program	36,900		36,900
Local Sources:			
Interest Revenue	5,842		5,842
Total Non-Operating Revenue	<u>288,806</u>		<u>288,806</u>
Change in Net Position	80,783	22,623	103,406
Net Position - Beginning of Year	<u>245,408</u>	<u>153,218</u>	<u>398,626</u>
Net Position - End of Year	<u>\$ 326,191</u>	<u>\$ 175,841</u>	<u>\$ 502,032</u>



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ENTERPRISE FUND  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Fund Food Service	Non-Major Fund Care Program	Total
Cash Flows for Operating Activities:			
Receipts from Customers	\$ 251,887	\$ 144,940	\$ 396,827
Payments for Salaries, Payroll Taxes and Benefits	(200,468)	(104,875)	(305,343)
Payments to Suppliers	(218,936)	(3,473)	(222,409)
Net Cash Provided by/(Used for) Operating Activities	(167,517)	36,592	(130,925)
Cash Flows from Noncapital Financing Activities:			
Federal and State Sources Received in Food Service Fund	220,329		220,329
Net Cash Provided by Noncapital Financing Activities	220,329		220,329
Cash Flows from Investing Activities:			
Interest on Investments	5,842		5,842
Net Cash Provided by Investing Activities	5,842		5,842
Net Increase in Cash and Cash Equivalents	58,654	36,592	95,246
Cash and Cash Equivalents, July 1	225,606	149,360	374,966
Cash and Cash Equivalents, June 30	\$ 284,260	\$ 185,952	\$ 470,212
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities			
Operating Income/(Loss)	\$ (208,023)	\$ 22,623	\$ (185,400)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for)			
Operating Activities:			
Depreciation	18,150		18,150
Food Distribution Program	36,900		36,900
Changes in Assets and Liabilities:			
Increase/(Decrease) in Inventory	(4,902)		(4,902)
(Increase)/Decrease in Other Accounts Receivable	(23,737)	(2,158)	(25,895)
Increase/(Decrease) in Accounts Payable		1,630	1,630
Increase/(Decrease) in Interfund Payable	10,615		10,615
Increase/(Decrease) in Unearned Revenue:			
Donated Commodities	3,353		3,353
Prepaid Sales/Fees	127	14,497	14,624
Net Cash Provided by/(Used for) Operating Activities	\$ (167,517)	\$ 36,592	\$ (130,925)

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$40,253 and utilized commodities valued at \$36,900 for the fiscal year ended June 30, 2023.

The General Fund purchased \$28,442 of equipment on behalf of the Food Service Fund which is included in the interfund payable to the General Fund at June 30, 2023.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM LIABILITIES  
(NOT APPLICABLE)

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

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

**Contents**

**Exhibit**

**Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

**Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

**Operating Information**

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT,

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,				
	2014	2015	2016	2017	2018
Governmental Activities					
Net Investment in Capital Assets	\$ 4,426,455	\$ 4,669,704	\$ 5,360,753	\$ 5,881,645	\$ 5,981,976
Restricted	2,785,800	3,429,754	3,691,146	4,111,516	4,670,087
Unrestricted/(Deficit)	(6,932,568)	(6,651,551)	(7,024,574)	(7,596,477)	(7,581,360)
Total Governmental Activities Net Position	<u>\$ 279,687</u>	<u>\$ 1,447,907</u>	<u>\$ 2,027,325</u>	<u>\$ 2,396,684</u>	<u>\$ 3,070,703</u>
Business-type Activities					
Investment in Capital Assets	\$ 45,434	\$ 44,334	\$ 36,263	\$ 33,354	\$ 26,975
Unrestricted	291,349	320,376	350,610	336,727	314,392
Total Business-type Activities Net Position	<u>\$ 336,783</u>	<u>\$ 364,710</u>	<u>\$ 386,873</u>	<u>\$ 370,081</u>	<u>\$ 341,367</u>
District-wide					
Net Investment in Capital Assets	\$ 4,471,889	\$ 4,714,038	\$ 5,397,016	\$ 5,914,999	\$ 6,008,951
Restricted	2,785,800	3,429,754	3,691,146	4,111,516	4,670,087
Unrestricted/(Deficit)	(6,641,219)	(6,331,175)	(6,673,964)	(7,259,750)	(7,266,968)
Total District Net Position	<u>\$ 616,470</u>	<u>\$ 1,812,617</u>	<u>\$ 2,414,198</u>	<u>\$ 2,766,765</u>	<u>\$ 3,412,070</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT,

LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	June 30,			
	2019	2020	2021	2022
Governmental Activities				
Net Investment in Capital Assets	\$ 6,247,652	\$ 6,709,860	\$ 6,769,149	\$ 7,936,886
Restricted	3,832,735	5,400,538	6,494,569	6,311,677
Unrestricted/(Deficit)	<u>(7,200,125)</u>	<u>(6,851,016)</u>	<u>(5,602,428)</u>	<u>(5,434,539)</u>
Total Governmental Activities Net Position	<u>\$ 2,880,262</u>	<u>\$ 5,259,382</u>	<u>\$ 7,661,290</u>	<u>\$ 8,814,024</u>
Business-type Activities				
Investment in Capital Assets	\$ 51,665	\$ 72,849	\$ 63,538	\$ 48,268
Unrestricted	248,931	181,876	164,680	350,358
Total Business-type Activities Net Position	<u>\$ 300,596</u>	<u>\$ 254,725</u>	<u>\$ 228,218</u>	<u>\$ 398,626</u>
District-wide				
Net Investment in Capital Assets	\$ 6,299,317	\$ 6,782,709	\$ 6,832,687	\$ 7,985,154
Restricted	3,832,735	5,400,538	6,494,569	6,311,677
Unrestricted/(Deficit)	<u>(6,951,194)</u>	<u>(6,669,140)</u>	<u>(5,437,748)</u>	<u>(5,084,181)</u>
Total District Net Position	<u>\$ 3,180,858</u>	<u>\$ 5,514,107</u>	<u>\$ 7,889,508</u>	<u>\$ 9,212,650</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Expenses					
Governmental activities					
Instruction:					
Regular	\$ 8,339,942	\$ 9,386,010	\$ 10,110,172	\$ 10,899,507	\$ 11,078,743
Special Education	5,396,907	6,147,885	6,305,932	6,799,286	6,754,881
Other Special Instruction	397,758	240,738	359,275	459,473	655,672
School Sponsored/Other Instruction	114,219	204,447	213,454	225,918	350,737
Support Services:					
Tuition	408,959	543,788	730,477	703,092	419,181
Student & Instruction Related Services	3,126,936	3,513,977	4,049,811	4,517,681	5,003,519
General Administrative Services	509,594	550,495	583,752	594,740	663,506
School Administrative Services	1,044,383	1,090,413	1,119,758	1,267,044	1,354,059
Central Services	292,390	434,597	470,012	504,295	528,495
Administrative Information Technology	339,086	303,185	314,352	249,937	241,778
Plant Operations and Maintenance	1,767,311	1,923,511	2,153,881	2,202,076	2,338,916
Pupil Transportation	1,962,766	1,923,286	1,906,495	2,003,454	1,843,522
Transfer of Funds to Charter School	768,831	778,092	718,282	744,422	570,457
Unallocated Depreciation	258,381	283,294	331,462	368,667	406,714
Capital Outlay				1,273	48,174
Total Governmental Activities Expenses	24,727,463	27,323,718	29,367,115	31,540,865	32,258,354

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED

(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Business-type Activities:					
Food Service	\$ 375,682	\$ 346,436	\$ 348,186	\$ 343,679	\$ 323,024
Care Program	115,623	122,567	125,903	170,717	174,585
Total Business-type Activities Expense	491,305	469,003	474,089	514,396	497,609
Total District Expenses	\$ 25,218,768	\$ 27,792,721	\$ 29,841,204	\$ 32,055,261	\$ 32,755,963
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction (Tuition)	\$ 61,977		\$ 43,179	\$ 128,426	\$ 77,523
Student and Instruction Related Services					
Transportation Fees	53,268		86,841	84,396	76,485
Operating Grants and Contributions	4,248,970	\$ 6,856,688	7,877,610	9,780,109	11,274,867
Capital Grants and Contributions					
Total Governmental Activities Program Revenues	4,364,215	6,856,688	8,007,630	9,992,931	11,428,875
Business-type Activities:					
Charges for Services:					
Food Service	203,972	175,445	173,167	162,973	153,065
Care Program	115,293	138,521	160,837	153,207	142,356
Operating Grants and Contributions	186,616	182,707	161,976	181,142	173,179
Total Business-type Activities Program Revenues	505,881	496,673	495,980	497,322	468,600
Total District Program Revenues	\$ 4,870,096	\$ 7,353,361	\$ 8,503,610	\$ 10,490,253	\$ 11,897,475
Net (Expense)/Revenue					
Governmental Activities	\$ (20,363,248)	\$ (20,467,030)	\$ (21,359,485)	\$ (21,547,934)	\$ (20,829,479)
Business-Type Activities	14,576	27,670	21,891	(17,074)	(29,009)
Total District-Wide Net Expense	\$ (20,348,672)	\$ (20,439,360)	\$ (21,337,594)	\$ (21,565,008)	\$ (20,858,488)



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED  
(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 15,010,592	\$ 15,310,804	\$ 15,617,020	\$ 15,546,520	\$ 15,130,100
Unrestricted Grants and Contributions	6,194,580	6,259,289	6,266,361	6,296,006	6,164,414
Miscellaneous Income	175,939	65,157	55,522	74,767	208,984
Other Item:					
Cancellation of Prior Year Accounts Payable					
Total Governmental Activities	21,381,111	21,635,250	21,938,903	21,917,293	21,503,498
Business-type Activities:					
Interest Income	201	257	272	282	295
Total Business-Type Activities	201	257	272	282	295
Total District-Wide	\$ 21,381,312	\$ 21,635,507	\$ 21,939,175	\$ 21,917,575	\$ 21,503,793
Change in Net Position	\$ 1,017,863	\$ 1,168,220	\$ 579,418	\$ 369,359	\$ 674,019
Governmental Activities	14,777	27,927	22,163	(16,792)	(28,714)
Business-type Activities	\$ 1,032,640	\$ 1,196,147	\$ 601,581	\$ 352,567	\$ 645,305
Total District					

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED  
(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Expenses					
Governmental activities					
Instruction:					
Regular	\$ 10,255,051	\$ 8,805,516	\$ 9,433,284	\$ 9,482,425	\$ 8,860,833
Special Education	6,504,414	6,246,371	5,918,125	5,916,280	5,253,713
Other Special Instruction	644,500	591,227	618,096	691,143	909,690
School Sponsored/Other Instruction	292,546	248,506	235,897	337,543	429,269
Support Services:					
Tuition	510,811	447,102	350,516	480,550	567,997
Student & Instruction Related Services	4,608,302	3,915,729	3,859,678	3,874,978	3,617,426
General Administrative Services	651,284	618,748	596,714	560,839	506,125
School Administrative Services	1,170,361	920,969	955,640	940,779	1,000,550
Central Services	477,838	431,094	431,464	386,038	356,853
Administrative Information Technology	220,478	244,210	254,652	206,857	195,980
Plant Operations and Maintenance	2,323,621	2,011,461	2,039,292	2,121,315	2,263,929
Pupil Transportation	1,837,694	1,529,080	1,491,213	1,641,600	1,648,513
Transfer of Funds to Charter School	810,925	717,530	801,400	845,790	1,034,019
Unallocated Depreciation	411,506	481,399	526,170	542,807	568,445
Capital Outlay	105,405	17,335	1,273		
Total Governmental Activities Expenses	<u>30,824,736</u>	<u>27,226,277</u>	<u>27,513,414</u>	<u>28,028,944</u>	<u>27,213,342</u>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED  
(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
Business-type Activities:					
Food Service	\$ 342,788	\$ 288,190	\$ 271,882	\$ 520,400	\$ 459,783
Care Program	167,852	114,166	40,450	119,745	109,978
Total Business-type Activities Expense	510,640	402,356	312,332	640,145	569,761
Total District Expenses	\$ 31,335,376	\$ 27,628,633	\$ 27,825,746	\$ 28,669,089	\$ 27,783,103
Program Revenues:					
Governmental Activities:					
Charges for Services:					
Instruction (Tuition)	\$ 46,647	\$ 51,489	\$ 6,370	\$ 24,590	\$ 21,980
Student and Instruction Related Services				40,096	65,868
Transportation Fees	78,654	77,036	66,607	89,401	84,274
Operating Grants and Contributions	9,161,556	7,358,349	8,045,324	8,065,132	6,016,122
Capital Grants and Contributions			41,637		
Total Governmental Activities Program Revenues	9,286,857	7,486,874	8,159,938	8,219,219	6,188,244
Business-type Activities:					
Charges for Services:					
Food Service	161,161	99,457		23,217	251,760
Care Program	135,053	104,673	25,388	166,421	132,601
Operating Grants and Contributions	173,333	150,898	260,172	620,610	282,964
Total Business-type Activities Program Revenues	469,547	355,028	285,560	810,248	667,325
Total District Program Revenues	\$ 9,756,404	\$ 7,841,902	\$ 8,445,498	\$ 9,029,467	\$ 6,855,569
Net (Expense)/Revenue	\$ (21,537,879)	\$ (19,739,403)	\$ (19,353,476)	\$ (19,809,725)	\$ (21,025,098)
Governmental Activities	(41,093)	(47,328)	(26,772)	170,103	97,564
Business-Type Activities	(21,578,972)	(19,786,731)	(19,380,248)	(19,639,622)	(20,927,534)
Total District-Wide Net Expense					

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS

UNAUDITED  
(Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property Taxes Levied for General Purposes, net	\$ 15,232,726	\$ 15,800,221	\$ 16,816,591	\$ 16,643,603	\$ 16,968,153
Unrestricted Grants and Contributions	5,971,294	5,528,615	4,898,614	4,217,744	3,898,277
Miscellaneous Income	66,418	167,660	40,179	101,112	147,440
Other Item:					
Cancellation of Prior Year Accounts Payable		3,169			
Total Governmental Activities	<u>21,347,438</u>	<u>21,499,665</u>	<u>21,755,384</u>	<u>20,962,459</u>	<u>21,013,870</u>
Business-type Activities:					
Interest Income	322	1,457	265	305	5,842
Total Business-Type Activities	<u>322</u>	<u>1,457</u>	<u>265</u>	<u>305</u>	<u>5,842</u>
Total District-Wide	<u>\$ 21,347,760</u>	<u>\$ 21,501,122</u>	<u>\$ 21,755,649</u>	<u>\$ 20,962,764</u>	<u>\$ 21,019,712</u>
Change in Net Position					
Governmental Activities	\$ (190,441)	\$ 1,760,262	\$ 2,401,908	\$ 1,152,734	\$ (11,228)
Business-type Activities	(40,771)	(45,871)	(26,507)	170,408	103,406
Total District	<u>\$ (231,212)</u>	<u>\$ 1,714,391</u>	<u>\$ 2,375,401</u>	<u>\$ 1,323,142</u>	<u>\$ 92,178</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	June 30,				
	2014	2015	2016	2017	2018
General Fund					
Restricted	\$ 2,785,800	\$ 3,429,754	\$ 3,691,146	\$ 4,111,516	\$ 4,670,087
Assigned	156,826	441,568	235,562	255,329	487,014
Unassigned					
<b>Total General Fund</b>	<b>\$ 2,942,626</b>	<b>\$ 3,871,322</b>	<b>\$ 3,926,708</b>	<b>\$ 4,366,845</b>	<b>\$ 5,157,101</b>
All Other Governmental Funds					
Restricted					
Committed	\$ 27,637	\$ 27,637	\$ 27,637	\$ 27,637	\$ 27,637
<b>Total All Other Governmental Funds</b>	<b>\$ 27,637</b>	<b>\$ 27,637</b>	<b>\$ 27,637</b>	<b>\$ 27,637</b>	<b>\$ 27,637</b>
<b>Total Governmental Funds</b>	<b>\$ 2,970,263</b>	<b>\$ 3,898,959</b>	<b>\$ 3,954,345</b>	<b>\$ 4,394,482</b>	<b>\$ 5,184,738</b>

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS

UNAUDITED  
(Modified Accrual Basis of Accounting)

	June 30,			
	2019	2020	2021	2022
				2023
General Fund				
Restricted	\$ 3,832,735	\$ 5,260,645	\$ 6,357,511	\$ 6,171,624
Assigned	789,987	693,510	1,437,673	656,780
Unassigned	<u>77,540</u>	<u>346,548</u>	<u>561,228</u>	<u>661,603</u>
Total General Fund	<u>\$ 4,700,262</u>	<u>\$ 6,300,703</u>	<u>\$ 8,356,412</u>	<u>\$ 7,490,007</u>
All Other Governmental Funds				
Restricted	\$ 139,893	\$ 137,058	\$ 140,053	\$ 139,762
Committed	<u>27,637</u>	<u>27,637</u>	<u>27,637</u>	<u>27,637</u>
Total All Other Governmental Funds	<u>\$ 27,637</u>	<u>\$ 167,530</u>	<u>\$ 164,695</u>	<u>\$ 167,690</u>
Total Governmental Funds	<u>\$ 4,727,899</u>	<u>\$ 6,468,233</u>	<u>\$ 8,521,107</u>	<u>\$ 7,657,697</u>
				<u>\$ 6,653,322</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
<b>Revenues</b>					
Tax Levy	\$ 15,010,592	\$ 15,310,804	\$ 15,617,020	\$ 15,546,520	\$ 15,130,100
Tuition Charges	61,977		43,179	128,426	77,523
Transportation Fees	53,268		86,841	84,396	76,485
State Sources	9,714,372	10,074,504	10,452,114	10,786,380	10,953,244
Federal Sources	729,078	737,985	645,316	634,710	813,589
Miscellaneous	176,039	65,157	55,522	74,767	208,984
<b>Total Revenue</b>	<u>25,745,326</u>	<u>26,188,450</u>	<u>26,899,992</u>	<u>27,255,199</u>	<u>27,259,925</u>
<b>Expenditures</b>					
<b>Instruction</b>					
Regular Instruction	5,776,888	5,830,314	6,025,010	5,693,620	5,634,659
Special Education Instruction	3,786,346	3,894,236	3,651,112	3,795,004	3,352,583
Other Special Instruction	267,191	182,566	255,162	281,210	405,364
School-Sponsored/Other Instruction	80,265	93,912	84,772	87,757	101,339
<b>Support Services:</b>					
Tuition	408,959	543,788	730,477	703,092	419,181
Student & Other Instruction Related Services	2,259,235	2,342,721	2,595,077	2,631,997	2,810,817
General Administrative Services	442,132	466,473	471,737	438,449	499,121
School Administrative Services	720,727	689,019	674,856	711,550	720,636
Central Services	244,932	299,833	310,922	304,586	306,035
Administrative Information Technology	303,537	260,961	261,226	187,184	170,715
Plant Operations and Maintenance	1,522,384	1,552,161	1,694,577	1,696,499	1,707,667
Student Transportation	1,697,806	1,620,347	1,542,729	1,603,296	1,457,778

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)  
(Continued)

	Fiscal Year Ending June 30,				
	2014	2015	2016	2017	2018
Expenditures					
Employee Benefits	\$ 6,060,598	\$ 6,021,058	\$ 6,644,444	\$ 6,911,193	\$ 7,662,161
Capital Outlay	601,411	684,273	1,184,223	1,025,203	651,156
Transfer of Funds to Charter School	768,831	778,092	718,282	744,422	570,457
Total Expenditures	<u>24,941,242</u>	<u>25,259,754</u>	<u>26,844,606</u>	<u>26,815,062</u>	<u>26,469,669</u>
Excess/(Deficit) of Revenues					
Over/(Under) Expenditures	804,084	928,696	55,386	440,137	790,256
Other Financing Sources/(Uses)					
Cancel Prior Year Interfund/Accounts Payable					
Total Other Financing Sources/(Uses)					
Net Change in Fund Balances	<u>\$ 804,084</u>	<u>\$ 928,696</u>	<u>\$ 55,386</u>	<u>\$ 440,137</u>	<u>\$ 790,256</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

(Continued)

	Fiscal Year Ending June 30,			
	2019	2020	2021	2022
<b>Revenues</b>				
Tax Levy	\$ 15,232,726	\$ 15,800,221	\$ 16,816,591	\$ 16,643,603
Tuition Charges	46,647	51,489	66,607	24,590
Transportation Fees	78,654	77,036	89,401	84,274
State Sources	11,551,522	11,377,371	11,558,885	11,776,936
Federal Sources	766,381	566,259	869,068	958,974
Miscellaneous	69,010	167,660	46,549	141,208
<b>Total Revenue</b>	<b>27,744,940</b>	<b>28,040,036</b>	<b>29,357,700</b>	<b>29,634,712</b>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular Instruction	5,795,601	5,224,477	5,523,867	5,953,021
Special Education Instruction	3,570,348	3,631,785	3,365,750	3,646,878
Other Special Instruction	457,044	455,167	445,117	556,889
School-Sponsored/Other Instruction	93,180	76,406	11,070	71,245
<b>Support Services:</b>				
Tuition	510,811	447,102	350,516	480,550
Student & Other Instruction Related Services	2,828,637	2,556,997	2,542,655	2,809,141
General Administrative Services	511,463	506,792	501,836	508,193
School Administrative Services	695,954	575,206	583,644	634,532
Central Services	317,232	310,822	322,062	329,089
Administrative Information Technology	168,760	203,828	217,425	188,277
Plant Operations and Maintenance	1,857,287	1,652,670	1,704,981	1,963,819
Student Transportation	1,575,867	1,354,390	1,325,518	1,533,265
				62,983
				567,997
				2,865,362
				472,665
				745,641
				337,719
				189,849
				2,159,266
				1,582,976

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,

LAST TEN FISCAL YEARS

UNAUDITED

(Modified Accrual Basis of Accounting)

(Continued)

	Fiscal Year Ending June 30,			
	2019	2020	2021	2022
Expenditures				
Employee Benefits	\$ 8,242,289	\$ 8,140,627	\$ 8,927,112	\$ 9,164,114
Capital Outlay	843,381	1,067,930	681,873	1,813,319
Transfer of Funds to Charter School	810,925	717,530	801,400	845,790
Total Expenditures	<u>28,278,779</u>	<u>26,921,729</u>	<u>27,304,826</u>	<u>30,498,122</u>
Excess/(Deficit) of Revenues				
Over/(Under) Expenditures	(533,839)	1,118,307	2,052,874	(863,410)
Other Financing Sources/(Uses)				
Cancel Prior Year Interfund/Accounts Payable	77,000	3,169		
Total Other Financing Sources/(Uses)	<u>77,000</u>	<u>3,169</u>		
Net Change in Fund Balances	<u>\$ (456,839)</u>	<u>\$ 1,121,476</u>	<u>\$ 2,052,874</u>	<u>\$ (863,410)</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
(Modified Accrual Basis of Accounting)

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation Revenue	Prior Year Refunds	Miscellaneous	Total
2014	\$ 7,777	\$ 61,977	\$ 53,268		\$ 117,482	\$ 240,504
2015	4,426				60,731	65,157
2016	9,372	43,179	86,841		46,150	185,542
2017	10,339	128,426	84,396		64,428	287,589
2018	11,865	77,523	76,485	\$ 60,053	137,066 *	362,992
2019	11,170	46,647	78,654	17,480	37,768	191,719
2020	59,525	51,489	77,036	40,386	67,749	296,185
2021	21,327		66,607	11,572	7,280	106,786
2022	17,554	24,590	89,401	3,243	80,315	215,103
2023	128,100	21,980	84,274	3,534	13,920	251,808

\* Includes cancellation of prior year accounts payable of \$44,273.

Source: School District records

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY.  
 LAST TEN YEARS  
UNAUDITED

Year Ended Dec. 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2013	* \$ 1,732,400	\$ 81,631,500	\$ 640,100	\$ 21,500	\$ 25,708,300	\$ 721,600	\$ 16,707,400	\$ 127,162,800	\$ 662,927	\$ 127,825,727	\$ 1.75	\$ 132,158,837
2014	1,804,600	80,772,200	640,100	21,500	25,254,600	787,300	16,234,700	125,515,000	835,798	126,350,798	1.74	123,628,837
2015	1,838,400	80,688,700	640,100	21,500	24,735,400	787,300	16,190,200	124,901,600	1,107,571	126,009,171	1.76	125,959,230
2016	1,791,200	80,820,200	640,100	21,500	24,657,400	787,300	14,503,400	123,221,100	-0-	123,221,100	1.87	127,045,159
2017	1,791,200	80,740,000	640,100	21,500	26,734,600	787,300	14,484,100	125,198,800	-0-	125,198,800	1.84	130,280,646
2018	2,570,700	80,386,800	640,100	20,700	25,456,500	787,300	14,484,100	124,346,200	-0-	124,346,200	1.86	126,728,700
2019	2,250,900	80,462,800	640,100	22,100	25,350,100	787,300	14,484,100	123,997,400	-0-	123,997,400	1.83	127,638,746
2020	2,205,300	80,528,200	640,100	22,100	25,204,300	787,300	14,484,100	123,871,400	-0-	123,871,400	1.84	131,565,909
2021	2,203,800	80,808,900	640,100	20,800	25,188,500	787,300	14,484,100	124,133,500	-0-	124,133,500	1.93	133,284,831
2022	2,203,800	81,064,500	640,100	20,800	24,765,500	787,300	14,484,100	123,966,100	-0-	123,966,100	1.94	137,918,021
<u>Township of Wantage</u>												
2013	\$ 42,071,360	\$ 1,057,651,000	\$ 150,677,900	\$ 7,677,793	\$ 114,525,205	\$ 961,300	\$ 5,822,300	\$ 1,379,386,858	\$ 3,447,661	\$ 1,382,834,519	\$ 1.49	\$ 1,212,594,551
2014	* 30,572,600	899,760,106	133,737,300	7,501,900	116,927,091	1,541,400	11,621,250	1,201,661,647	3,383,457	1,205,045,104	1.72	1,195,626,385
2015	30,651,700	899,500,006	133,712,100	7,500,200	116,927,091	1,541,400	11,621,250	1,201,453,747	3,805,642	1,205,259,389	1.77	1,188,264,413
2016	29,938,700	898,143,806	134,981,300	7,172,500	116,639,030	1,541,400	11,621,200	1,200,037,936	-0-	1,200,037,936	1.83	1,167,238,533
2017	29,631,300	899,354,006	134,672,100	7,014,152	114,342,284	1,541,400	11,621,200	1,198,176,442	-0-	1,198,176,442	1.76	1,169,093,206
2018	31,423,050	898,028,906	134,724,100	6,944,872	112,741,984	1,541,400	13,521,200	1,198,925,512	-0-	1,198,925,512	1.73	1,273,420,618
2019	32,050,650	897,450,506	134,527,100	6,968,972	112,958,834	1,541,400	15,896,200	1,201,393,662	-0-	1,201,393,662	1.76	1,279,831,695
2020	33,246,950	899,020,606	134,458,700	6,768,600	113,279,234	1,541,400	21,121,200	1,209,436,690	-0-	1,209,436,690	1.85	1,265,208,954
2021	32,576,400	902,816,300	134,583,400	6,585,400	108,002,700	1,541,400	21,121,200	1,207,226,800	-0-	1,207,226,800	1.92	1,287,351,865
2022	33,695,100	906,538,100	134,586,700	6,576,400	107,169,200	1,541,400	21,121,200	1,211,228,100	-0-	1,211,228,100	1.94	1,343,552,600

\* Revaluation was effective in this year.

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

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

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

Source: Municipal Tax Assessor

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(Rate per \$100 of Assessed Value)

Year Ended December 31,	School District			Overlapping Rates		Total Direct and Overlapping Tax Rate	
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct Tax Rate	Municipality	Sussex County		
<u>Borough of Sussex</u>							
2013	* \$	1.752	\$ -0-	\$ 1.752	\$ 0.668	\$ 0.509	\$ 2.929
2014		1.743	-0-	1.743	0.673	0.499	2.915
2015		1.755	-0-	1.755	0.729	0.509	2.993
2016		1.865	-0-	1.865	0.752	0.558	3.175
2017		1.836	-0-	1.836	0.758	0.596	3.190
2018		1.857	-0-	1.857	0.782	0.626	3.265
2019		1.827	-0-	1.827	0.797	0.597	3.221
2020		1.836	-0-	1.836	0.801	0.621	3.258
2021		1.927	-0-	1.927	0.825	0.633	3.385
2022		1.942	-0-	1.942	0.847	0.626	3.415
<u>Township of Wantage</u>							
2013	\$	1.492	\$ -0-	\$ 1.492	\$ 0.245	\$ 0.431	\$ 2.168
2014	*	1.721	-0-	1.721	0.280	0.519	2.520
2015		1.774	-0-	1.774	0.300	0.513	2.587
2016		1.827	-0-	1.827	0.300	0.546	2.673
2017		1.764	-0-	1.764	0.294	0.557	2.615
2018		1.730	-0-	1.730	0.299	0.575	2.604
2019		1.762	-0-	1.762	0.308	0.617	2.687
2020		1.847	-0-	1.847	0.308	0.612	2.767
2021		1.922	-0-	1.922	0.313	0.633	2.868
2022		1.939	-0-	1.939	0.315	0.623	2.877

\* Revaluation was effective in this year.

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

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.

Source: Municipal Tax Collector and School Business Administrator

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

		2022			2013		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
<u>Borough of Sussex</u>							
Alpine Village Apt LLC	\$ 7,506,000	1	6.05%	Alpine Village Apt LLC	\$ 9,192,800	1	7.19%
Jimkev Realty, LLC/JTS, Inc.	3,700,000	2	2.98%	Wilson Manor Associates	3,700,000	2	2.89%
MPT of Morris, LLC	2,100,000	3	1.69%	Franklin Sussex Realty, LLC	1,929,500	3	1.51%
Franklin Sussex Realty, LLC	1,929,500	4	1.56%	RBND, LLC	1,896,300	4	1.48%
Individual Taxpayer #1	1,702,800	5	1.37%	Individual Taxpayer #1	1,852,400	5	1.45%
Sussex Plaza Realty LLC	1,170,600	6	0.94%	Sussex Plaza Realty LLC	1,170,600	6	0.92%
Great Gorge Holdings, LLC	1,046,800	7	0.84%	Sussex Creamery LLC	1,046,800	7	0.82%
RBND, LLC	985,600	8	0.80%	Individual Taxpayer #2	975,000	8	0.76%
Munson Street Dev., LLC	894,200	9	0.72%	Munson Street Dev., LLC	894,200	9	0.70%
Individual Taxpayer #2	883,700	10	0.71%	JP Morgan Chase	859,300	10	0.67%
<b>Total</b>	<b>\$ 21,919,200</b>		<b>17.68%</b>	<b>Total</b>	<b>\$ 23,516,900</b>		<b>18.40%</b>
<u>Township of Wantage</u>							
Wantage 2002 LLC	\$ 12,041,500	1	0.99%	Main Land Sussex Co	11,449,000	1	0.83%
Main Land Sussex Co	9,697,300	2	0.80%	Wantage 2002 LLC	11,200,500	2	0.81%
Tenneco, Inc	9,044,500	3	0.75%	Tenneco, Inc	9,871,200	3	0.71%
Regency Apartments	5,539,000	4	0.46%	Awbury Apartments LP	6,294,000	4	0.46%
Space Farms, Inc.	4,676,600	5	0.39%	Ames Rubber Corp.	5,389,100	5	0.39%
PS, LLC	3,400,900	6	0.28%	Space Farms, Inc.	4,376,900	6	0.32%
Ames Rubber Corp.	3,393,100	7	0.28%	PS, LLC	2,917,400	7	0.21%
Sussex Rural Electric Corp	3,132,700	8	0.26%	MAJ Wantage Land LLC	2,840,000	8	0.21%
United Telephone Co. of NJ	3,113,073	9	0.26%	Sussex Rural Electric Corp	3,132,700	9	0.23%
Rolling Wantage, Inc.	3,026,400	10	0.25%	Majestic Hills, Inc.	2,753,600	10	0.20%
<b>Total</b>	<b>\$ 57,065,073</b>		<b>4.71%</b>	<b>Total</b>	<b>\$ 60,224,400</b>		<b>4.36%</b>

Note - Individual taxpayers may be different in each year presented.

Source: Municipal Tax Assessors

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 15,010,592	\$ 14,887,800	99.18%	\$ 122,792
2015	15,310,804	15,310,804	100.00%	-0-
2016	15,617,020	15,617,020	100.00%	-0-
2017	15,546,520	15,546,520	100.00%	-0-
2018	15,130,100	15,130,100	100.00%	-0-
2019	15,232,726	15,232,726	100.00%	-0-
2020	15,800,221	15,800,221	100.00%	-0-
2021	16,816,591	16,816,591	100.00%	-0-
2022	16,643,603	16,643,603	100.00%	-0-
2023	16,968,153	16,968,153	100.00%	-0-

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

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

SUSSEX-WANTAGE REGIONAL 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>	Debt Per Capita <sup>a</sup>
	Loans	Certificates of Participation	Financed Purchase Agreements / Leases	Bond Anticipation Notes (BANs)	Financed Purchase Agreements / Leases	Total District			
2014	\$ -0-	\$ -0-	\$ 2,957	\$ -0-	\$ -0-	\$ 2,957	0.0004%	\$ 0.22	
2015	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2016	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2017	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2018	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2019	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2020	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2021	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2022	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	
2023	-0-	-0-	-0-	-0-	-0-	-0-	0.0000%	-0-	

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

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



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation <sup>a</sup> Taxable	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ -0-	\$ -0-	\$ -0-	0.00%	\$ -0-
2015	-0-	-0-	-0-	0.00%	-0-
2016	-0-	-0-	-0-	0.00%	-0-
2017	-0-	-0-	-0-	0.00%	-0-
2018	-0-	-0-	-0-	0.00%	-0-
2019	-0-	-0-	-0-	0.00%	-0-
2020	-0-	-0-	-0-	0.00%	-0-
2021	-0-	-0-	-0-	0.00%	-0-
2022	-0-	-0-	-0-	0.00%	-0-
2023	-0-	-0-	-0-	0.00%	-0-

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

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

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

Source: School District Financial Reports

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable <sup>a</sup></u>	<u>Estimated</u> <u>Share of</u> <u>Overlapping</u> <u>Debt</u>
Debt Repaid With Property Taxes			
Borough of Sussex	\$ 1,177,500	100.00%	\$ 1,177,500
Township of Wantage	5,779,456	100.00%	5,779,456
Sussex County General Obligation Debt (Borough Share)	95,444,925	0.65%	619,684
Sussex County General Obligation Debt (Township Share)	95,444,925	6.34%	6,054,714
Subtotal, Overlapping Debt			13,631,354
Sussex-Wantage Regional School District Direct Debt			-0-
Total Direct and Overlapping Debt			<u>\$ 13,631,354</u>

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

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

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION,  
LAST TEN FISCAL YEARS  
UNAUDITED

Equalized Valuation Basis:

	Legal Debt Margin Calculation for Fiscal Year 2023		
	Sussex Borough	Wantage Township	Total
	2022	\$ 152,086,983	\$ 1,441,423,420
2021	136,906,915	1,335,427,876	1,472,334,791
2020	131,778,085	1,285,950,760	1,417,728,845
	\$ 420,771,983	\$ 4,062,802,056	\$ 4,483,574,039

Average Equalized Valuation of Taxable Property	\$ 1,494,524,680
Debt Limit (3% of average equalization value <sup>a</sup> )	\$ 44,835,740
Net Bonded Debt as of June 30, 2023	-0-
Legal Debt Margin	\$ 44,835,740

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 41,108,009	\$ 39,604,062	\$ 39,206,389	\$ 39,183,210	\$ 39,162,619
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	\$ 41,108,009	\$ 39,604,062	\$ 39,206,389	\$ 39,183,210	\$ 39,162,619
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 40,186,408	\$ 41,077,406	\$ 42,012,616	\$ 42,734,471	\$ 44,835,740
Total Net Debt Applicable to Limit	-0-	-0-	-0-	-0-	-0-
Legal Debt Margin	\$ 40,186,408	\$ 41,077,406	\$ 42,012,616	\$ 28,011,123	\$ 44,835,740
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable other districts.

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Wantage Township

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Sussex County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	\$ 11,144	\$ 603,068,704	\$ 54,116	7.90%
2015	11,020	614,056,440	55,722	5.10%
2016	10,943	627,329,361	57,327	4.70%
2017	10,893	644,255,592	59,144	4.30%
2018	10,861	668,288,191	61,531	3.90%
2019	10,912	701,467,008	64,284	3.50%
2020	10,899	739,104,786	67,814	8.80%
2021	10,866	772,127,094	71,059	5.60%
2022	10,933	776,888,047 ***	71,059 *	3.70%
2023	10,933 **	776,888,047 ***	71,059 *	N/A

Sussex Borough

Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Sussex County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	\$ 2,059	\$ 111,424,844	\$ 54,116	6.70%
2015	2,036	113,449,992	55,722	6.90%
2016	2,022	115,915,194	57,327	5.70%
2017	2,010	118,879,440	59,144	5.80%
2018	2,002	123,185,062	61,531	5.30%
2019	1,991	127,989,444	64,284	4.90%
2020	1,979	134,203,906	67,814	10.20%
2021	2,034	144,534,006	71,059	7.50%
2022	2,048	145,528,832 ***	71,059 *	4.90%
2023	2,048 **	145,528,832 ***	71,059 *	N/A

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

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

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

N/A - Information Not Available

Source:

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

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>c</sup> Per capita personal income for Sussex County is estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Employer	2022	
	Employees	Percentage of Total Employment
Selective Insurance Group Inc.	1,000-4,999	1.40%-7.00%
Crystal Springs Resort	1,000-4,999	1.40%-7.00%
Newton Medical Center	500-999	0.70%-1.40%
Sussex County Offices	500-999	0.70%-1.40%
Thorlabs	500-999	0.70%-1.40%
Mountain Creek Resort	500-999	0.70%-1.40%
Shop Rite	250-499	0.35%-0.70%
Sussex County Community College	250-499	0.35%-0.70%
United Methodist Community Bristol Glen	250-499	0.35%-0.70%
Andover Subacute & Rehab Center	100-249	0.14%-0.35%
	<u>4,850-15,740</u>	<u>4.07%-12.91%</u>
Total Employment	<u>71,425</u>	
Employer	2013	
	Employees	Percentage of Total Employment
Crystal Springs Golf and Spa Resort	2,000	2.66%
Newton Memorial Hospital	1,200	1.59%
Selective Insurance	900	1.20%
County of Sussex	830	1.10%
Mountain Creek Resort	800	1.06%
Ames Rubber Corp	445	0.59%
Shop Rite (Ronetco)	301	0.40%
Andover Subacute & Rehab Center	300	0.40%
Sussex County Community College	300	0.40%
SCARC, Inc.	287	0.38%
	<u>7,363</u>	<u>9.78%</u>
Total Employment	<u>75,252</u>	

Source: Sussex County Chamber of Commerce

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction										
Regular	73.4	75.1	77.0	75.5	76.5	74.9	70.9	69.4	71.5	72.6
Special Education	35.5	35.5	34.0	37.0	33.0	30.5	31.5	30.0	33.0	33.5
Other Instruction	45.3	40.3	48.5	47.5	44.1	50.4	46.6	46.4	45.4	42.3
Support Services:										
Student & Instruction Related Services	28.6	27.4	27.0	26.0	31.0	30.0	30.0	27.5	26.9	27.5
General and Business Administrative Services	7.0	7.0	7.0	7.0	7.0	7.4	6.5	6.5	6.5	6.5
School Administrative Services	4.0	4.0	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.8
Other Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Administrative Information Technology	2.0	3.5	4.0	4.0	4.0	3.5	3.3	3.3	3.5	4.5
Transportation	15.8	15.5	15.5	15.5	15.5	15.5	13.5	11.3	12.0	10.2
Plant Operations and Maintenance	18.8	17.3	17.0	16.7	16.7	20.2	20.2	20.2	20.3	20.8
<b>Total</b>	<b>236.4</b>	<b>231.6</b>	<b>240.0</b>	<b>239.2</b>	<b>237.8</b>	<b>242.4</b>	<b>231.5</b>	<b>223.6</b>	<b>228.1</b>	<b>227.7</b>

Source: School District Personnel Records

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year End June 30,	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance (ADA) <sup>d</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2014	1,277	\$ 24,339,831	\$ 19,060	6.82%	135	9.2:1	9.8:1	1,227	1,169	-6.69%	95.27%
2015	1,199	24,575,481	20,497	7.54%	137	10.3:1	10.3:1	1,155	1,106	-5.87%	95.76%
2016	1,110	25,660,383	23,117	12.79%	138	9.6:1	9.6:1	1,072	1,021	-7.19%	95.24%
2017	1,096	25,789,859	23,531	1.79%	139	9.3:1	9.3:1	1,059	1,008	-1.21%	95.18%
2018	1,033	25,818,513	24,994	6.22%	137.5	7.5:1	7.5:1	1,020	966	-3.68%	94.71%
2019	1,037	27,435,398	26,457	5.85%	133.4	8.2:1	7.6:1	1,037	984	1.67%	94.89%
2020	1,041	25,853,799	24,836	-6.13%	130	8.5:1	7.0:1	1,038	998	0.10%	96.15%
2021	1,052	26,622,953	25,307	1.90%	128	8.5:1	7.2:1	1,021	975	-1.64%	95.49%
2022	1,063	28,684,803	26,985	6.63%	141	7.5:1	7.5:1	1,041	940	1.96%	90.30%
2023	1,093	30,089,004	27,529	2.02%	134	7.9:1	8.1:1	1,049	966	0.77%	92.09%

Note:

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

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Clifton E. Lawrence Elementary School										
Square Feet	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200	48,200
Capacity (students)	450	450	450	450	450	450	450	450	450	450
Enrollment	366	379	366	361	331	353	376	350	387	384
Wantage Elementary School										
Square Feet	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583	48,583
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	408	359	357	345	341	356	338	326	302	336
<b><u>Middle School</u></b>										
Sussex Middle School										
Square Feet	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489	65,489
Capacity (students)	612	612	612	612	612	612	612	612	612	612
Enrollment	503	461	387	390	361	328	327	376	374	373
<b><u>Other</u></b>										
Environmental Trails Center										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity (students)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Number of Schools										
Elementary = 2										
Middle School = 1										

N/A - Not Applicable

Source: School District records.



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS  
UNAUDITED

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

Fiscal Year Ended June 30,	Lawrence	Sussex	Wantage	Environmental Trail Center	Board Office	Total
2014	\$ 137,091	\$ 154,466	\$ 122,818	\$ 968	\$ 5,813	\$ 421,156
2015	169,275	185,583	136,700	5,889	7,196	504,643
2016	158,199	186,966	161,727	10,101	9,150	526,143
2017	153,370	175,923	132,841	919	14,607	477,660
2018	165,921	146,218	116,178	855	7,706	436,878
2019	177,685	184,622	120,237	804	10,006	493,354
2020	130,688	149,240	121,081	821	5,133	406,963
2021	145,885	146,520	126,035	833	7,868	427,141
2022	140,858	162,752	122,170	901	10,457	437,138
2023	176,437	202,944	125,537	945	5,871	511,734

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

Source: School District records.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2023  
UNAUDITED

	Coverage		Deductible
<u>SCHOOL ALLIANCE INSURANCE FUND:</u>			
School Package Policy	\$ 500,000,000		
Building and Personal Property			\$ 2,500
Auto Physical Damage			1,000
 General Liability including Auto, Employee Benefits	 5,000,000		
Each Occurrence			
General Aggregate	Agreed upon based on membership.		
Product Completed Operations			
Personal Injury			
Fire Damage	2,500,000		
Medical Expenses	10,000		
(Excluding Students Taking Part in Athletics)			
Automobile Coverage	10,000,000	Occurrence	1,000
Combined Single Limit			
Hired/Non Owned			
Cyber Liability	\$750,000 per Occurrence/Aggregate		Multiple Deductibles
Environmental Impairment Liability	1,000,000/25,000,000	Fund Aggregate	10,000
Excludes mold/fungi/fungus/legionella			
 Crime Coverage	 50,000	 Inside/Outside	 1,000
Blanket Dishonesty Bond	500,000		1,000
 Boiler and Machinery	 100,000,000		 2,500
 Excess Liability (AL/GL)	 5,000,000		
 School Board Legal	 5,000,000		 5,000
 Workers' Compensation	 Statutory		
Employer's Liability	5,000,000		
Supplemental Indemnity	Statutory		
 <u>SELECTIVE INSURANCE:</u>			
Business Administrator/Board Secretary	50,000	Selective Insurance	
Treasurer of School Monies Bond Limit	250,000	Selective Insurance	
 <u>BOLLINGER</u>			
Student Accident Coverage	6,000,000	All students and athletes	

Source: School District records.

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), 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 Sussex-Wantage Regional School District, in the County of Sussex (the "Board") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated December 22, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey  
Page 2

### **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

December 22, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

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

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey

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

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

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

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

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

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

***Responsibilities of Management for Compliance***

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

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey  
Page 2

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

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

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

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

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

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

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

The Honorable President and Members  
of the Board of Education  
Sussex-Wantage Regional School District  
County of Sussex, New Jersey  
Page 3

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

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

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

December 22, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022			Balance, June 30, 2023			
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Expendi- tures	Cancellation of Prior Year Receivable	Budgetary Unearned Revenue	Budgetary Accounts Receivable
<u>U.S. Department of Agriculture:</u>											
Passed-through State Department of Agriculture:											
<u>Enterprise Fund</u>											
Child Nutrition Cluster:											
	10.555	N/A	7/1/22-6/30/23	\$ 40,253	\$	40,253	\$	(31,053)		\$ 9,200	
	10.555	N/A	7/1/21-6/30/22	39,562	\$ 5,847		(5,847)				
	10.555	N/A	7/1/22-6/30/23	160,843		128,299	(160,843)			\$ (32,544)	
	10.553	N/A	7/1/22-6/30/23	35,532		27,870	(35,532)			(7,662)	
	10.555	N/A	7/1/22-6/30/23	59,320		59,320	(41,965)			17,355	
	10.555	N/A	7/1/21-6/30/22	434,460		39,028					
	10.553	N/A	7/1/21-6/30/22	116,725		10,980					
Total Enterprise Fund/U.S. Department of Agriculture/Child Nutrition Cluster						305,750	(275,240)			26,555	(40,206)
<u>U.S. Department of Education:</u>											
Passed-through State Department of Education:											
<u>Special Revenue Fund</u>											
Elementary and Secondary Education Act Consolidated:											
Title I	84.010A	ESEA5100-23	7/1/22-9/30/23	155,748		48,276	(122,620)			(74,344)	
Title I	84.010A	ESEA5100-22	7/1/21-9/30/22	153,490		42,987	(42,987)				
Title I - SIA	84.010A	ESEA5100-23	7/1/22-9/30/23	18,300		816	(1,655)			(839)	
Title I - SIA	84.010A	ESEA5100-22	7/1/21-9/30/22	21,032		16,886	(150)				
Total Title I						108,965	(124,425)			(75,183)	
Title IIA	84.367A	ESEA5100-23	7/1/22-9/30/23	28,203		15,170	(10,106)			(10,106)	
Title IIA	84.367A	ESEA5100-22	7/1/21-9/30/22	53,851		15,170	(10,106)			(10,106)	
Total Title IIA						30,340	(20,212)			(20,212)	
Title IV	84.424A	ESEA5100-23	7/1/22-9/30/23	11,416		244	(3,861)			(3,617)	
Total Title IV						244	(3,861)			(3,617)	

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022			Balance, June 30, 2023			
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Unearned Revenue	Cancellation of Prior Year Receivable	Budgetary Accounts Receivable	Amounts Provided to Subrecipients
<b>Special Education Cluster:</b>											
I.D.E.A. Part B, Basic	84.027A	IDEA510023	7/1/22-9/30/23	\$ 399,155	\$ (90,827)	\$ 348,022	\$ (542,706)	\$ 18,789	\$ (194,684)		
I.D.E.A. Part B, Basic	84.027A	IDEA510022	7/1/21-9/30/22	584,090		72,038			(28,870)		
COVID-19 ARP - I.D.E.A. Part B, Basic	84.027X	IDEA510022	7/1/21-9/30/23	50,649		13,585	(42,455)				
I.D.E.A. Preschool	84.173A	IDEA510023	7/1/22-9/30/23	21,390	(90,827)	455,035	(606,551)	18,789	(223,554)		
<b>Total Special Education Cluster</b>											
<b>Education Stabilization Fund:</b>											
COVID-19 - CRRSA-ESSER II	84.425D	S425D210027	3/13/20-9/30/23	527,173	(174,359)	232,099	(148,882)		(91,142)		
COVID-19 - CRRSA - Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	33,831		7,391	(13,344)				
COVID-19 - CRRSA - Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000			(42,000)		(42,000)		
COVID-19 - ARP - ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,184,788	(113,605)	163,063	(529,951)		(480,493)		
COVID-19 - ARP - Accelerated Learning Coaching and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	95,655	(9,053)	9,053					
COVID-19 - ARP - NJTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(3,835)	7,766	(3,931)				
COVID-19 - ARP - Homeless II	84.425W	S425W210027	4/23/21 - 9/30/24	10,956	(300,852)	430,328	(10,956)		(613,635)		
<b>Total Education Stabilization Fund</b>											
					(466,572)	1,009,742	(1,494,007)	18,789	(926,095)		
<b>Total Special Revenue Fund and U.S. Department of Education</b>											
<b>U.S. Department of Health and Human Services -</b>											
<b>General Fund</b>											
<b>Medicaid Cluster:</b>											
Medicaid Assistance Program	93.778	N/A	7/1/22-6/30/23	115,859		106,730	(106,730)				
COVID-19 - Family First Coronavirus Response Act	93.778	N/A	7/1/20-6/30/21	9,129		9,129	(9,129) *				
<b>Total General Fund/Medicaid Cluster</b>											
						115,859	(115,859)				
<b>Total Federal Awards</b>											
					\$ (516,580)	\$ 11,800	\$ 1,431,351	\$ (1,885,106)	\$ 18,789	\$ 26,555	\$ (966,301)
<b>* - Expended in a prior year</b>											

N/A - Not Applicable

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2023		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>												
General Fund State Aid:												
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	\$ 833,307	\$ (82,278)	\$	\$ 82,278	\$				\$	\$ 833,307
School Choice Aid	22-495-034-5120-068	7/1/21-6/30/22	32,823	(3,241)		3,241						32,823
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	3,890,820	(384,170)		384,170						3,890,820
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	155,733	(15,377)		15,377						155,733
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	784,782	(77,487)		77,487						784,782
Nonpublic Transportation Costs	22-495-034-5120-014	7/1/21-6/30/22	14,831	(14,831)								14,831
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/21-6/30/22	654,866	(654,866)		654,866						654,866
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	758,897	(38,559)		38,559						758,897
Special Education Categorical Aid	23-495-034-5120-089	7/1/22-6/30/23	833,307			750,970	\$ (833,307)	\$	(82,337)			833,307
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	33,975			30,618	(33,975)		(3,357)			33,975
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	3,519,715			3,171,942	(3,519,715)		(347,773)			3,519,715
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	155,733			140,345	(155,733)		(15,388)			155,733
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	784,782			707,240	(784,782)		(77,542)			784,782
Nonpublic Transportation Costs	23-495-034-5120-014	7/1/22-6/30/23	12,279				(12,279)		(12,279)			12,279
Extraordinary Special Education Costs Aid	23-495-034-5120-044	7/1/22-6/30/23	665,325				(665,325)		(665,325)			665,325
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	765,125			688,745	(765,125)		(76,380)			765,125
On-Behalf TPAF Post Medical Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	919,516			919,516	(919,516)					919,516
On-Behalf Long Term Disability Insurance Contributions	23-495-034-5094-004	7/1/22-6/30/23	1,102			1,102	(1,102)					1,102
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	3,452,385			3,452,385	(3,452,385)					3,452,385
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	47,898			47,898	(47,898)					47,898
Subtotal - General Fund				(1,270,809)		11,181,570	(11,191,142)		(753,984)		(1,280,381)	18,317,201
Special Revenue Fund Aid:												
Nonpublic Auxiliary Services:												
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	29,057			29,057	(24,115)		\$ 4,942			24,115
English as a Second Language	23-100-034-5120-067	7/1/22-6/30/23	6,014			6,014			6,014			6,014
Nonpublic Handicapped Services:												
Supplementary Instruction	23-100-034-5120-066	7/1/22-6/30/23	8,095			8,095	(6,278)		1,817			6,278
Corrective Speech	23-100-034-5120-066	7/1/22-6/30/23	9,300			9,300	(7,557)		1,743			7,557
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	20,854			20,854	(11,247)		9,607			11,247
N.J. Nonpublic Textbook Aid	23-100-034-5120-064	7/1/22-6/30/23	4,290			4,290	(4,290)					4,290
N.J. Nonpublic Nursing Aid	23-100-034-5120-070	7/1/22-6/30/23	9,520			9,520	(9,444)		76			9,444
N.J. Nonpublic Technology Initiative	23-100-034-5120-373	7/1/22-6/30/23	2,730			2,730	(2,676)		54			2,676
N.J. Nonpublic Security Aid	23-100-034-5120-509	7/1/22-6/30/23	17,425			17,425	(17,425)					17,425
Nonpublic Auxiliary Services:												
Compensatory Education	22-100-034-5120-067	7/1/21-6/30/22	20,603		\$ 8,062			\$ (8,062)				12,541
English as a Second Language	22-100-034-5120-067	7/1/21-6/30/22	6,395		3,380			(3,380)				3,015
Nonpublic Handicapped Services:												
Supplementary Instruction	22-100-034-5120-066	7/1/21-6/30/22	8,260		2,726			(2,726)				5,534
Corrective Speech	22-100-034-5120-066	7/1/21-6/30/22	10,974		2,976			(2,976)				7,998
Examination and Classification	22-100-034-5120-066	7/1/21-6/30/22	14,410		3,413			(3,413)				10,997
N.J. Nonpublic Textbook Aid	22-100-034-5120-064	7/1/21-6/30/22	2,581		124			(124)				2,457
N.J. Nonpublic Nursing Aid	22-100-034-5120-070	7/1/21-6/30/22	6,160		454			(454)				5,706
N.J. Nonpublic Technology Initiative	22-100-034-5120-373	7/1/21-6/30/22	1,806		17			(17)				1,789
N.J. Nonpublic Security Aid	22-100-034-5120-509	7/1/21-6/30/22	9,625		2,300			(2,300)				7,325
Subtotal - Special Revenue Fund - Department of Education				23,452		107,285	(83,032)		24,253			140,394
Total State Department of Education				(1,270,809)	23,452	11,288,855	(11,274,174)	(23,452)	(753,984)	24,253	(1,280,381)	18,457,595

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2023		MEMO	
				Budgetary Accounts Receivable	Due to Grantor				GAAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Children and Families:</b>												
Tuition Reimbursement for State-Responsible												
Homeless Children and Youth	N/A	7/1/22-6/30/23	\$ 36,725				\$ (36,725)		\$ (36,725)	\$ (36,725)	\$ 36,725	
<b>State Department of Agriculture:</b>												
Enterprise Fund:												
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	\$ 7,192		\$ 5,739	(7,192)		(1,453)	(1,453)	(1,453)	7,192	
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	532		428	(532)		(104)	(104)	(104)	532	
COVID-19 Seamless Summer Program	22-100-010-3350-023	7/1/21-6/30/22	10,220	\$ (898)	898						10,220	
Subtotal - Enterprise Fund/State Department of Agriculture				(898)	7,065	(7,724)		(1,557)	(1,557)	(1,557)	17,944	
Total State Awards				\$ (1,271,707)	\$ 23,452	\$ 11,295,920	\$ (11,318,623)	\$ (23,452)	\$ (792,266)	\$ 24,253	\$ 18,512,264	
<b>Less: On-Behalf TPAF Pension System Contributions:</b>												
On-Behalf TPAF Post Medical Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	(919,516)			\$ 919,516						
On-Behalf Long Term Disability Insurance Contributions	23-495-034-5094-004	7/1/22-6/30/23	(1,102)			1,102						
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	(3,452,385)			3,452,385						
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	(47,898)			47,898						
Subtotal - On-Behalf TPAF Pension System Contributions						4,420,901						
Total State Awards - for Major Program Determination						\$ (6,897,722)						

SEE THE ACCOMPANYING NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$39,947 for the general fund and (\$327,951) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and the special revenue funds.

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

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

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 115,859	\$ 11,264,023	\$11,379,882
Special Revenue Fund	1,162,265	86,823	1,249,088
Food Service Fund	<u>275,240</u>	<u>7,724</u>	<u>282,964</u>
Total Awards	<u>\$ 1,553,364</u>	<u>\$ 11,358,570</u>	<u>\$12,911,934</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

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

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Summary of Auditors' Results:

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

	<u>Assistance Listing Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
	I.D.E.A. Part B, Basic COVID 19 - ARP -	84.027A	7/1/22-9/30/23	\$ 542,706    \$ 542,706
	I.D.E.A. Part B, Basic	84.027X	7/1/22-9/30/23	50,649    42,455
	I.D.E.A. Preschool	84.173A	7/1/22-9/30/23	21,390    21,390
Child Nutrition Cluster:				
	Food Distribution Program	10.555	7/1/22-6/30/23	40,253    31,053
	Food Distribution Program	10.555	7/1/21-6/30/22	39,562    5,847
	National School Lunch Program	10.555	7/1/22-6/30/23	160,843    160,843
	School Breakfast Program	10.553	7/1/22-6/30/23	35,532    35,532
	COVID 19 - Supply Chain Assistance	10.555	7/1/22-6/30/23	59,230    41,965
	<u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>State:</u>				
	Special Education Categorical Aid	23-495-034-5120-089	7/1/22-6/30/23	\$ 833,307    \$ 833,307
	School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	33,975    33,975
	Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	3,519,715    3,519,715
	Security Aid	23-495-034-5120-084	7/1/22-6/30/23	155,733    155,733
	Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	784,782    784,782

SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

Summary of Auditors' Results: (Cont'd)

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

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey’s OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.



SUSSEX-WANTAGE REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Status of Prior Year Findings:

The District had no prior year audit findings.