

**BOARD OF EDUCATION  
OF THE  
TOWNSHIP OF TABERNACLE  
SCHOOL DISTRICT  
TABERNACLE, NEW JERSEY**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2023**

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Table of Contents

---

<b>INTRODUCTORY SECTION</b>	<u><b>Page</b></u>
Letter of Transmittal	2
Organizational Chart	7
Roster of Officials	8
Consultants and Advisors	9
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor's Report</b>	11
<b>Required Supplementary Information - Part I Management's Discussion and Analysis</b>	16
<b>Basic Financial Statements</b>	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	25
A-2 Statement of Activities	26
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	28
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	29
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
Proprietary Funds:	
B-4 Statement of Net Position	31
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	32
B-6 Statement of Cash Flows	33
Fiduciary Funds:	
B-7 Combining Statement of Fiduciary Net Position	N/A
B-8 Statement of Changes in Fiduciary Net Position	N/A
<b>Notes to Financial Statements</b>	34
<b>Required Supplementary Information - Part II</b>	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	71
C-1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant - Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	80
C-3 Budget-to-GAAP Reconciliation	81

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Table of Contents (Cont'd)

---

<b>FINANCIAL SECTION (CONT'D)</b>	<b>Page</b>
<b>Required Supplementary Information - Part III</b>	
L. Schedules Related to Accounting and Reporting for Pensions	
L-1 Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS	83
L-2 Schedule of the School District's Contributions – PERS	84
L-3 Schedule of the School District's Proportionate Share of the Net Pension Liability – TPAF	85
L-4 Schedule of the School District's Contributions – TPAF	86
L-5 Notes to Required Supplementary Information - Part III	87
<b>Required Supplementary Information - Part IV</b>	
M. Schedules Related to Accounting and Reporting for OPEB	
M-1 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios	90
M-2 Notes to Required Supplementary Information - Part IV	91
<b>Other Supplementary Information</b>	
D. School Based Budget Schedules	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	94
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	98
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances	99
F-2a Schedule of Project Revenues, Expenditures, Project Balance and Project Status	100

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Table of Contents (Cont'd)

<b>FINANCIAL SECTION (CONT'D)</b>	<b>Page</b>
<b>Other Supplementary Information (Cont'd)</b>	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Statement of Net Position	105
G-2 Statement of Revenues, Expenses and Changes in Fund Net Position	106
G-3 Statement of Cash Flows	107
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	N/A
H-2 Statement of Changes in Fiduciary Net Position	N/A
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	N/A
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	N/A
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	109
I-2 Schedule of Obligations under Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	110
<b>STATISTICAL SECTION (Unaudited)</b>	
<b>Introduction to the Statistical Section</b>	
<b>Financial Trends</b>	
J-1 Net Position by Component	113
J-2 Changes in Net Position	114
J-3 Fund Balances - Governmental Funds	116
J-4 Changes in Fund Balances - Governmental Funds	117
J-5 General Fund Other Local Revenue by Source	118
<b>Revenue Capacity</b>	
J-6 Assessed Value and Actual Value of Taxable Property	120
J-7 Direct and Overlapping Property Tax Rates	121
J-8 Principal Property Taxpayers	122
J-9 Property Tax Levies and Collections	123
<b>Debt Capacity</b>	
J-10 Ratios of Outstanding Debt by Type	125
J-11 Ratios of Net General Bonded Debt Outstanding	126
J-12 Direct and Overlapping Governmental Activities Debt	127
J-13 Legal Debt Margin Information	128

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Table of Contents (Cont'd)

---

	<b>Page</b>
<b>STATISTICAL SECTION (Unaudited) (Cont'd)</b>	
<b>Demographic and Economic Information</b>	
J-14 Demographic and Economic Statistics	130
J-15 Principal Non-Governmental Employers	131
<b>Operating Information</b>	
J-16 Full-time Equivalent District Employees by Function/Program	133
J-17 Operating Statistics	134
J-18 School Building Information	135
J-19 Schedule of Required Maintenance Expenditures by School Facility	136
J-20 Insurance Schedule	137
<b>SINGLE AUDIT SECTION</b>	
K-1 Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	139
K-2 Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the State of New Jersey Circular 15-08-OMB	141
K-3 Schedule of Expenditures of Federal Awards, Schedule A	144
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	145
K-5 Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	147
K-6 Schedule of Findings and Questioned Costs	149
Section 1 - Summary of Auditor's Results	149
Section 2 – Schedule of Financial Statement Findings	151
Section 3 – Schedule of Federal Award Findings and Questioned Costs	152
Section 4 – Schedule of State Financial Assistance Findings and Questioned Costs	153
K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	154

# INTRODUCTORY SECTION



# TABERNACLE SCHOOL DISTRICT

132 New Road, Tabernacle, NJ 08088

---

Shaun Banin, Superintendent/Principal

February 8, 2024

Honorable President and  
Members of the Board of Education  
Township of Tabernacle School District  
County of Burlington, New Jersey

Dear Board of Education Members:

The Annual Comprehensive Financial Report of the Tabernacle Township School District for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the 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 Management's Discussion and Analysis, basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information. 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 (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid when a certain expenditure threshold is met. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations, findings and questioned costs, is included in the single audit section of this report.

## 1. REPORTING ENTITY AND ITS SERVICES

Tabernacle Township School district is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement 14, as amended. All funds of the District are included in this report. The Tabernacle Township 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 preschool disabilities through eight as well as special education for disabled children. The District's enrollment is 678 as of June 30, 2023.



# TABERNACLE SCHOOL DISTRICT

132 New Road, Tabernacle, NJ 08088

Shaun Banin, Superintendent/Principal

The following details the changes in the student enrollment of the District over the last ten years:

## AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>
2013/2014	797
2014/2015	763
2015/2016	770
2016/2017	709
2017/2018	714
2018/2019	699
2019/2020	680
2020/2021	669
2021/2022	693
2022/2023	683

The District is a constituent member of the Lenape Regional High School District. The District's students in grades 9-12 attend Seneca High School located in Tabernacle Township.

## 2. ECONOMIC CONDITION AND OUTLOOK

Tabernacle Township is a rural, residential community located in the southwestern portion of Burlington County. The Township is approximately 49.55 square miles and approximately twenty-six miles from Philadelphia. Wharton Tract covers 28.5% of the Township's 30,489 acres. Tabernacle Township is located within the Pinelands Preservation area with development highly regulated. The estimated population for 2022 was 6,851 compared to 6,808 in 2021. The estimated population density in 2022 was 137.4 persons per square mile. The unemployment rate for 2022 was 3.4%. The County of Burlington per capita personal income for 2021 was \$69,496.00.

## 3. MAJOR INITIATIVES

**Statewide and District Assessments:** Students in grades K-8 are evaluated with LinkIt or iReady in the areas of reading and mathematics. These assessments are aligned with the New Jersey Student Learning Standards. Our students took these assessments in the fall, winter, and spring. Our students were assessed using Start Strong and the New Jersey Student Learning Assessment for English Language Arts, mathematics, and science as mandated by the New Jersey Department of Education.

**English Language Arts:** The District uses INTO Reading for students in kindergarten through sixth grade, which gives our students and teachers access to a robust set of tools and instructional materials.





# TABERNAACLE SCHOOL DISTRICT

132 New Road, Tabernacle, NJ 08088

---

Shaun Banin, Superintendent/Principal

**Mathematics:** We continued our use of the EnVision Math program for students in kindergarten through fifth grade. The program targets student understanding and meets the individual needs of students through balanced and accurately paced lessons, printed lessons, printed materials, manipulatives, and technology integration. The District adopted the use of iReady for students in grades 6-8 except for algebra and geometry as those classes are aligned with the Lenape Regional High School District's curriculum and resources.

**Technology:** Our district is now fully 1:1 with students in kindergarten using iPads, and students in grades 1-8 using Chromebooks. The District continued its transition to the use of Promethean Boards in our classrooms and installed sound systems in classrooms to assist those students with auditory processing issues and all students to better hear instruction.

**Staff Development:** Staff development continues to be a District priority. Topics focused on the use of the flipped classroom mode, differentiation, the use of student choice in learning, social emotional learning, COVID safety protocols, remote instructional strategies, and other key topics included in the District's local professional development plan. Tabernacle staff have professional development opportunities through in-service programs, Lenape Regional Consortium programs, Burlington County Curriculum Consortium programs, the Burlington County Professional Development Institute, after-school courses, off-site professional workshops/conferences, in-house training sessions, and tuition reimbursement for college level graduate-level courses.

#### 4. INTERNAL ACCOUNTING CONTROLS

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

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



# TABERNACLE SCHOOL DISTRICT

132 New Road, Tabernacle, NJ 08088

---

Shaun Banin, Superintendent/Principal

## 5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to insure compliance with legal provisions embodied in the State approved annual appropriated budget. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service 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 included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2023.

## 6. ACCOUNTING SYSTEM AND REPORTS

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

## 7. FINANCIAL INFORMATION AT FISCAL YEAR END

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

## 8. DEBT ADMINISTRATION

At June 30, 2023 the District's outstanding debt issues included \$13,348,000.00 of general obligation bonds.

## 9. CASH MANAGEMENT

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statement", Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision 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.



# TABERNALE SCHOOL DISTRICT

132 New Road, Tabernacle, NJ 08088

---

Shaun Banin, Superintendent/Principal

## 10. RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District is a member of the Burlington County Insurance Pool Joint Insurance Fund.

## 11. OTHER INFORMATION

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board of Education appointed the firm of Bowman & Company LLP as the District's auditors. In addition to meeting the requirements set forth in State statutes, when a federal single audit is required, the audit is also 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 (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

## ACKNOWLEDGMENTS

The Tabernacle School District would not experience its successes without the support of the administration, staff, parents, and the community, but most certainly by the Tabernacle Board of Education. Not only is the Board of Education to be commended for their continued support and concern in providing fiscal accountability to the citizens and taxpayers of the School District, but the Board is recognized for its vision and desire to truly educate the students of the Township of Tabernacle for a lifetime. We express our appreciation for their dedication to the development and maintenance of the District's educational and financial operations. In addition, the preparation of this report could not have been accomplished without the efforts and accomplishments of our District administration and their staff, and especially, the Business Office staff. Their continued dedication and commitment result in the excellence that is maintained. Their efforts are acknowledged and greatly appreciated.

Respectfully submitted,

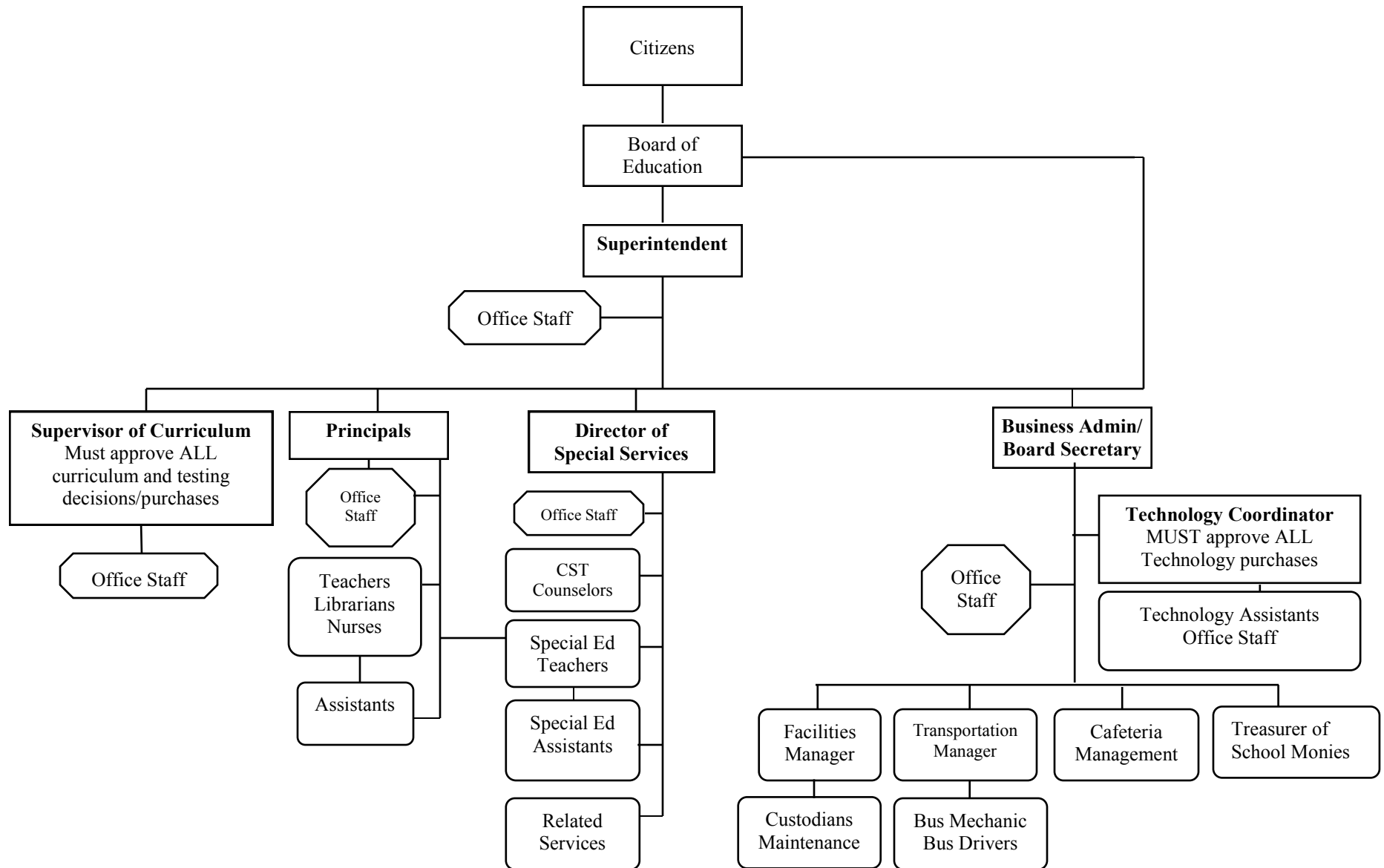
---

Shaun Banin  
Superintendent of Schools

---

Patricia Palmieri  
School Business Administrator

# TABERNACLE TOWNSHIP SCHOOL DISTRICT Organization Chart



**BOARD OF EDUCATION  
TOWNSHIP OF TABERNACLE SCHOOL DISTRICT  
TABERNACLE, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2023**

---

<b><u>Members of the Board of Education</u></b>	<b><u>Title</u></b>	<b><u>Term Expires</u></b>
Col. Stephen Henske	President	2024
Victoria Shoemaker	Vice President	2025
Dean Dodaro		2024
Lauren Fanti		2025
Jonathan Grubb		2025
Dr. Megan Jones		2023
Dr. Kevin McCloy		2023
Julia E. Sailer		2023
Erica Vining		2024
 <b><u>Other Officials</u></b>		
Shaun Banin	Superintendent / Principal	
Patricia Palmieri	Board Secretary/School Business Administrator	
Karen Albanese	Treasurer of School Monies	

**BOARD OF EDUCATION  
TOWNSHIP OF TABERNACLE SCHOOL DISTRICT  
TABERNACLE, NEW JERSEY**

**CONSULTANTS AND ADVISORS  
JUNE 30, 2023**

---

**Architect**

Fraytak Veisz Hopkins Duthie, P.C.  
1515 Lower Ferry Road  
Ewing Township, NJ 08618

**Audit Firm**

Bowman & Company LLP  
Daniel M. DiGangi, CPA, PSA  
601 White Horse Road  
Voorhees, NJ 08043

**Attorney**

Capehart & Scatchard, P.A.  
Robert Muccilli  
8000 Midlantic Drive, Suite 300S  
Mount Laurel, NJ 08054

**Labor Consultants**

Capehart & Scatchard, P.A.  
Robert Muccilli  
8000 Midlantic Drive, Suite 300S  
Mount Laurel, NJ 08054

**Official Depositories**

Republic Bank  
2 Skeet Road  
Medford, New Jersey 08055

**NJ ARM**

New Jersey Asset and Rebate Management Program  
PFM Asset Management LLC  
213 Market Street  
Harrisburg, PA 17101

FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Tabernacle School District  
132 New Road  
Tabernacle, New Jersey 08088

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

#### ***Opinions***

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

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

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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 School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



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

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School 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 School 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, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability, schedule of the School District's pension contributions, and schedule of changes in the School District's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Tabernacle School District's basic financial statements. The combining statements and related major fund supporting statements and schedules, and schedule of expenditures of federal awards are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedule of expenditures of state financial assistance, as required by State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, is also presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and related major fund supporting statements and schedules, and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**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 February 8, 2024 on our consideration of the Township of Tabernacle School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Tabernacle School 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 the Township of Tabernacle School District's internal control over financial reporting and compliance.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Daniel M. DiGangi*

Daniel M. DiGangi  
Certified Public Accountant  
Public School Accountant No. CS 002376

Voorhees, New Jersey  
February 8, 2024

REQUIRED SUPPLEMENTARY INFORMATION  
PART I

## TOWNSHIP OF TABERNACLE SCHOOL DISTRICT

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited)

---

The management's discussion and analysis of the Township of Tabernacle School District (School District) financial performance provides an overall review of the School District's financial activities for the fiscal years ended June 30, 2023 and 2022. The intent of the discussion and analysis is to look at the School District's financial performance and review the notes to the basic financial statements to enhance the understanding of the School District's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

### FINANCIAL HIGHLIGHTS

Financial Highlights for fiscal year 2023:

- The assets and deferred outflows of resources of the School District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$13,165,922 (net position).
- The School District's total net position increased by \$1,546,395. This increase is primarily attributable to the Township of Tabernacle School District's increase in revenues over expenditures.
- Governmental activities have an unrestricted (deficit) net position of (\$3,298,351). The accounting treatments for pensions, accrued interest on bonds payable, compensated absences payable and the last state aid payment, and state statutes that prohibit school districts from maintaining more than 2.00% of its general fund expenditures as unrestricted fund balance are primarily responsible for this deficit balance.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$16,010,955, an increase of \$10,980,154 in comparison with the prior year. This increase is primarily due to the issuance of bonds.

### 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 School District:

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the School District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District, reporting the School District's operations *in more detail* than the district-wide statements.
- *Governmental funds* statements tell how basic services like 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 School District operate *like businesses*, such as food services.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited) (Cont'd)

---

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)**

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 School District's budget for the year.

**Government-Wide Statements**

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

The two government-wide statements report the School District's net position and how they have changed. Net position is the difference between the School District's assets and deferred outflows of resources and liabilities and deferred inflows of resources and is one way to measure the School District's financial health or position. An increase or decrease in the School District's net position is an indicator of whether its financial position is improving or deteriorating, respectively. To assess the overall health or position of the School District, you need to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

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

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The School District charges fees to cover the costs of certain services such as food services.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the School District's funds, focusing on the significant funds, not the School District as a whole. Funds are used by the School District to keep track of specific sources of funding and spending on particular programs.

The School District has two kinds of funds:

- *Governmental funds* – The School District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as food services.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited) (Cont'd)

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

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

<b>TABLE 1</b>				
Net Position				
	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
<b>Assets:</b>				
Current and Other Assets	\$ 16,264,070	\$ 5,867,433	\$ 10,396,637	177.19%
Capital Assets	14,596,109	11,956,881	2,639,228	22.07%
	<u>30,860,179</u>	<u>17,824,314</u>	<u>13,035,865</u>	<u>73.14%</u>
<b>Deferred Outflows of Resources:</b>				
Related to Pensions	535,792	482,238	53,554	11.11%
Deferred Loss on Refunding	68,519	102,778	(34,259)	-33.33%
	<u>604,311</u>	<u>585,016</u>	<u>19,295</u>	<u>3.30%</u>
<b>Liabilities:</b>				
Long-Term Liabilities	16,738,329	3,781,744	12,956,585	342.61%
Other Liabilities	643,251	994,751	(351,500)	-35.34%
	<u>17,381,580</u>	<u>4,776,495</u>	<u>12,605,085</u>	<u>263.90%</u>
<b>Deferred Inflows of Resources:</b>				
Related to Pensions	916,988	2,013,308	(1,096,320)	-54.45%
<b>Net Position:</b>				
Net Investment in Capital Assets	12,695,560	10,835,870	1,859,690	17.16%
Restricted	3,684,914	4,427,048	(742,134)	-16.76%
Unrestricted (Deficit)	(3,214,552)	(3,643,391)	428,839	-11.77%
	<u>\$ 13,165,922</u>	<u>\$ 11,619,527</u>	<u>\$ 1,546,395</u>	<u>13.31%</u>

Table 2 provides an illustration of the impact that GASBS 68 and 71 had to the School District's Unrestricted Net Position.

**TABLE 2**  
Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 535,792	\$ 482,238	\$ 53,554	11.11%
Less: Net Pension Liability	(2,805,238)	(2,150,093)	(655,145)	30.47%
Less: Deferred Inflows Related to Pensions	(916,988)	(2,013,308)	1,096,320	-54.45%
	<u>\$ (3,186,434)</u>	<u>\$ (3,681,163)</u>	<u>\$ 494,729</u>	<u>-13.44%</u>

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited) (Cont'd)

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)**

Table 3 reflects changes in net position for fiscal years 2023 and 2022.

**TABLE 3**  
Change in Net Position

<b>Revenues:</b>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 422,679	\$ 193,612	\$ 229,067	118.31%
Operating Grants and Contributions	1,796,278	3,074,165	(1,277,887)	-41.57%
Capital Grants and Contributions	1,657,087	74,042	1,583,045	2138.04%
General Revenues:				
Property Taxes	8,781,060	8,918,674	(137,614)	-1.54%
Grants and Contributions	3,569,022	4,059,734	(490,712)	-12.09%
Other	468,084	840,585	(372,501)	-44.31%
<b>Total Revenues</b>	<u>16,694,209</u>	<u>17,160,812</u>	<u>(466,603)</u>	<u>-2.72%</u>
<b>Expenses:</b>				
Instruction:				
Regular	3,617,980	3,468,917	149,063	4.30%
Special Education	1,856,451	1,682,642	173,809	10.33%
Other Special Instruction	320,171	324,594	(4,423)	-1.36%
Other Instruction	78,501	79,144	(643)	-0.81%
Tuition	12,116	198,589	(186,473)	-93.90%
Student Services:				
Student and Instruction Related	1,582,219	1,272,732	309,487	24.32%
School Administrative Services	210,803	266,131	(55,328)	-20.79%
Other Administrative Services	632,582	704,491	(71,909)	-10.21%
Plant Operations and Maintenance	1,058,842	1,288,504	(229,662)	-17.82%
Pupil Transportation	735,116	655,579	79,537	12.13%
Allocated and Unallocated Benefits	3,812,377	4,500,505	(688,128)	-15.29%
Interest on Long-Term Debt	249,222	47,847	201,375	420.87%
Debt Issuance Costs	136,257		136,257	100.00%
Unallocated Depreciation	516,317	513,963	2,354	0.46%
Food Service	328,861	347,750	(18,889)	-5.43%
<b>Total Expenses</b>	<u>15,147,815</u>	<u>15,351,388</u>	<u>(203,573)</u>	<u>-1.33%</u>
<b>Increase in Net Position</b>	1,546,395	1,809,424	(263,029)	-14.54%
<b>Beginning Net Position</b>	<u>11,619,527</u>	<u>9,810,103</u>	<u>1,809,424</u>	<u>18.44%</u>
<b>Ending Net Position</b>	<u>\$ 13,165,922</u>	<u>\$ 11,619,527</u>	<u>\$ 1,546,395</u>	<u>13.31%</u>



**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited) (Cont'd)

---

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)**

**Governmental Activities**

In 2022-2023, Governmental Activities Revenues were \$16,343,930 or 97.90% of total revenues.

In 2021-2022, Governmental Activities Revenues were \$16,751,412 or 97.61% of total revenues.

The \$407,482 decrease in Governmental Activities Revenues from FY 2021-2022 to FY 2022-2023 was mainly related to the revenues associated with GASB 68 and 75.

In 2022-2023, General Revenues - Property Taxes of \$8,781,060 made up 52.60%, and General Revenues – Grants and Contributions Restricted and not Restricted to Specific Programs of \$3,569,022 made up 21.38% of Total Revenues.

In 2021-2022, General Revenues - Property Taxes of \$8,918,674 made up 51.97%, and General Revenues – Grants and Contributions Restricted and not Restricted to Specific Programs of \$4,059,734 made up 23.66% of Total Revenues.

In 2022-2023, the School District's Governmental Activities expenditures decreased by \$184,684 or 1.23% from 2021-2022. The decrease was mainly related to Unallocated Benefits due to the GASB 68 Pensions expense and GASB 75 OPEB expenses.

**Business-Type Activities**

In 2022-2023, Business-Type Activities Revenues were \$350,280 or 2.10% of total revenues. In 2021-2022, Business-Type Activities Revenues were \$409,401 or 2.39% of total revenues.

Charges for Services for Business-Type Activities were \$220,812 in 2022-2023 compared to \$56,203 in 2021-2022. The increase was due to the Food Service Fund collecting revenues from non-reimbursable sales as in person learning resumed in 2022-2023.

Operating Grants and Contributions for Business-Type Activities were \$126,036 in 2022-2023 compared to \$352,677 in 2021-2022, a 64.26% decrease.

Expenses for Business-Type Activities were \$328,861 in 2022-2023 compared to \$347,750 in 2021-2022, a 5.43% decrease.

**General Fund Budgeting Highlights**

The final budgetary basis revenue estimate was \$11,880,312, which was equal to the original budget.

The 2022-2023 General Fund Tax Levy was \$8,393,247, an increase of \$164,573 or 2.0% from the 2021-2022 General Fund Tax Levy of \$8,228,674.

During fiscal year 2022, the School District budgeted \$8,393,247 for property taxes (local tax levy) and \$3,260,565 for state aid revenues.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited) (Cont'd)

---

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)**

**General Fund Budgeting Highlights (Cont'd)**

The School District also received \$380,561 and \$2,303,822 reimbursed T.P.A.F. Social Security Aid and On-behalf T.P.A.F. Medical, Non-Contributory Insurance, Long-term Disability Insurance and Pension Contributions, respectively. The Township of Tabernacle School District's expenditures also include the reimbursed TPAF Social Security Aid and On-behalf T.P.A.F. Medical, Non-Contributory Insurance, Long-term Disability Insurance and Pension Contributions of \$380,561 and \$2,303,822, respectively.

The final budgetary basis expenditure appropriation estimate was \$14,325,414, which was the same as the original budget.

**Financial Analysis of the Government's Funds**

**Governmental Funds** - As of the end of the current fiscal year, the School District's governmental funds reported combining ending fund balances of \$16,010,955, an increase of \$10,980,154 in comparison with the prior year. This increase is primarily due to the issuance of bonds.

Of the combined ending fund balances of \$16,010,955, \$1,918 constitutes unassigned fund balance. The remainder of fund balance of \$16,019,037 is restricted or assigned for various purposes.

**Proprietary Funds** - As of the end of the current fiscal year, the School District's proprietary fund had \$134,018 in unrestricted net position.

**CAPITAL ASSETS**

The Township of Tabernacle School District's investment in capital assets for its governmental and business-type activities as of June 30, 2023 amounts to \$14,596,109 (net of accumulated depreciation and amortization). This investment in capital assets includes land improvements, construction in progress, buildings and improvements, and equipment. There was a net increase in the Township of Tabernacle School District's investment in capital assets for the current fiscal year of 22.07%. Table 4 reflects the capital assets.

**TABLE 4**  
Capital Assets

Capital Assets (Net of Depreciation):	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Land Improvements	\$ 13,135	\$ 13,396
Construction in Progress	3,067,400	
Building and Improvements	10,855,296	11,372,415
Furniture, Fixtures and Equipment	<u>660,278</u>	<u>571,071</u>
 Total Capital Assets	 <u>\$ 14,596,109</u>	 <u>\$ 11,956,881</u>

Depreciation expense was \$687,605 for fiscal year ended 2023 and \$675,275 for fiscal year ended 2022.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023  
(Unaudited) (Cont'd)

---

**DEBT ADMINISTRATION**

**Long-term Debt** - At the end of the current fiscal year, the Township of Tabernacle School District had total bonded debt outstanding of \$13,348,000. The entire Township of Tabernacle School District's bonded debt is governmental as opposed to business-type. The 2023-2024 adopted budget has an appropriation of \$360,000 representing the payment of the annual principal. The 2013 refunding bonds will mature on September 1, 2024 and the 2022 refunding bonds will mature on August 15, 2042.

**FACTORS ON THE DISTRICT'S FUTURE**

For the 2022-2023 school year, the Township of Tabernacle School District was able to sustain its budget through the township tax levy, federal aid, state aid and miscellaneous revenue sources. 52.6% of total revenue is from local tax levy and 21.38% of the Township of Tabernacle School District's revenue is from federal and state aid (restricted and not restricted).

In conclusion, the Tabernacle Township Board of Education and Administration have committed themselves to financial excellence for many years. Additionally, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District will continue with sound fiscal management to meet the challenges of the future.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Township of Tabernacle School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Patricia Palmieri, Business Administrator / Board Secretary at the Tabernacle Township School District, 132 New Road, Tabernacle, New Jersey 08088.

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Statement of Net Position  
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 1,611,145.37	\$ 74,377.40	\$ 1,685,522.77
Receivables (note 5)	1,811,552.62	6,006.84	1,817,559.46
Restricted Cash and Cash Equivalents	817,601.68		817,601.68
Restricted Investments (note 3)	11,935,360.19		11,935,360.19
Inventory (note 6)		8,026.12	8,026.12
Capital Assets, net (note 7)	<u>14,545,890.24</u>	<u>50,218.76</u>	<u>14,596,109.00</u>
<b>Total Assets</b>	<u>30,721,550.10</u>	<u>138,629.12</u>	<u>30,860,179.22</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (note 9)	535,792.00		535,792.00
Deferred Loss on Refunding	<u>68,518.60</u>		<u>68,518.60</u>
<b>Total Deferred Outflows</b>	<u>604,310.60</u>	<u>-</u>	<u>604,310.60</u>
<b>LIABILITIES:</b>			
Accounts Payable:			
Related to Pensions (note 9)	245,500.00		245,500.00
Other	138,014.21		138,014.21
Accrued Interest	228,435.12		228,435.12
Unearned Revenue	26,690.40	4,611.24	31,301.64
Noncurrent Liabilities (note 8):			
Due within One Year	442,585.05		442,585.05
Due beyond One Year	<u>16,295,744.15</u>		<u>16,295,744.15</u>
<b>Total Liabilities</b>	<u>17,376,968.93</u>	<u>4,611.24</u>	<u>17,381,580.17</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (note 9)	<u>916,988.00</u>	<u>-</u>	<u>916,988.00</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	12,645,341.53	50,218.76	12,695,560.29
Restricted for:			
Debt Service	32,717.68		32,717.68
Capital Projects	1,802,726.39		1,802,726.39
Other Purposes	1,849,469.56		1,849,469.56
Unrestricted (Deficit)	<u>(3,298,351.39)</u>	<u>83,799.12</u>	<u>(3,214,552.27)</u>
<b>Total Net Position</b>	<u>\$ 13,031,903.77</u>	<u>\$ 134,017.88</u>	<u>\$ 13,165,921.65</u>

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2023

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Instruction:							
Regular	\$ 3,617,979.83	\$ 61,743.95			\$ (3,617,979.83)		\$ (3,617,979.83)
Special Education	1,856,451.15		\$ 555,852.99		(1,238,854.21)		(1,238,854.21)
Other Special Instruction	320,171.17				(320,171.17)		(320,171.17)
Other Instruction	78,501.07				(78,501.07)		(78,501.07)
Tuition	12,115.60				(12,115.60)		(12,115.60)
Support Services:							
Student and Instruction Related Services	1,582,219.44	86,380.96	55,628.79	\$ 1,657,086.50	216,876.81		216,876.81
School Administrative Services	210,802.53				(210,802.53)		(210,802.53)
Other Administrative Services	632,582.08				(632,582.08)		(632,582.08)
Plant Operations and Maintenance	1,058,842.26				(1,058,842.26)		(1,058,842.26)
Pupil Transportation	735,116.06	53,742.40			(681,373.66)		(681,373.66)
Unallocated Benefits	3,812,376.55		1,058,760.24		(2,753,616.31)		(2,753,616.31)
Interest on Long-Term Debt	249,222.39				(249,222.39)		(249,222.39)
Debt Issuance Costs	136,257.00				(136,257.00)		(136,257.00)
Unallocated Depreciation	516,317.16				(516,317.16)		(516,317.16)
<b>Total Governmental Activities</b>	<b>14,818,954.29</b>	<b>201,867.31</b>	<b>1,670,242.02</b>	<b>1,657,086.50</b>	<b>(11,289,758.46)</b>	<b>-</b>	<b>(11,289,758.46)</b>
<b>Business-Type Activities:</b>							
Food Service	328,860.93	220,811.73	126,035.50	-	-	\$ 17,986.30	17,986.30
<b>Total Business-Type Activities</b>	<b>328,860.93</b>	<b>220,811.73</b>	<b>126,035.50</b>	<b>-</b>	<b>-</b>	<b>17,986.30</b>	<b>17,986.30</b>
<b>Total Government</b>	<b>\$ 15,147,815.22</b>	<b>\$ 422,679.04</b>	<b>\$ 1,796,277.52</b>	<b>\$ 1,657,086.50</b>	<b>(11,289,758.46)</b>	<b>17,986.30</b>	<b>(11,271,772.16)</b>
<b>General Revenues:</b>							
Taxes:							
Property Taxes, Levied for General Purposes					8,393,247.00		8,393,247.00
Taxes Levied for Debt Service					387,813.00		387,813.00
Federal and State Aid Not Restricted					3,569,022.00		3,569,022.00
Miscellaneous Income					464,651.73	3,432.63	468,084.36
<b>Total General Revenues</b>					<b>12,814,733.73</b>	<b>3,432.63</b>	<b>12,818,166.36</b>
<b>Change in Net Position</b>					<b>1,524,975.27</b>	<b>21,418.93</b>	<b>1,546,394.20</b>
<b>Net Position -- July 1</b>					<b>11,506,928.50</b>	<b>112,598.95</b>	<b>11,619,527.45</b>
<b>Net Position -- June 30</b>					<b>\$ 13,031,903.77</b>	<b>\$ 134,017.88</b>	<b>\$ 13,165,921.65</b>

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

FUND FINANCIAL STATEMENTS



**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Governmental Funds  
 Balance Sheet  
 June 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 1,668,968.49	\$ 87,860.36	\$ 639,200.52	\$ 32,717.68	\$ 2,428,747.05
Investments			11,935,360.19		11,935,360.19
Receivables:					
Interfunds Receivable:					
Special Revenue Fund	1,634,537.03				1,634,537.03
Capital Projects Fund	203,274.12				203,274.12
Receivables from Other Governments:					
State of NJ -- Non-Public Transportation Aid	12,480.00				12,480.00
State of NJ -- FICA	18,873.21				18,873.21
State of NJ -- Extraordinary Aid	106,784.00				106,784.00
Federal		28,111.91			28,111.91
State		1,645,303.50			1,645,303.50
<b>Total Assets</b>	<b>\$ 3,644,916.85</b>	<b>\$ 1,761,275.77</b>	<b>\$ 12,574,560.71</b>	<b>\$ 32,717.68</b>	<b>\$ 18,013,471.01</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
Liabilities:					
Accounts Payable	\$ 97,750.92	\$ 12,187.98	\$ 2,423.00		\$ 112,361.90
Unearned Revenue		26,690.40			26,690.40
Payroll Deductions and Withholdings	247.30				247.30
Unemployment Compensation Claims Payable	25,405.01				25,405.01
Interfunds Payable:					
General Fund		1,634,537.03	203,274.12		1,837,811.15
<b>Total Liabilities</b>	<b>123,403.23</b>	<b>1,673,415.41</b>	<b>205,697.12</b>	<b>-</b>	<b>2,002,515.76</b>
Fund Balances:					
Restricted:					
Capital Reserve	763,396.56				763,396.56
Capital Reserve Designated for Subsequent Year's Expenditures	450,000.00				450,000.00
Maintenance Reserve	527,027.01				527,027.01
Maintenance Reserve Designated for Subsequent Year's Expenditures	90,000.00				90,000.00
Excess Surplus	456,519.68				456,519.68
Excess Surplus Designated for Subsequent Year's Expenditures	653,956.66				653,956.66
Scholarships		8,101.69			8,101.69
Student Activities		79,758.67			79,758.67
Unemployment Compensation	34,105.85				34,105.85
Debt Service				\$ 32,717.68	32,717.68
Capital Projects			12,368,863.59		12,368,863.59
Assigned:					
Subsequent Year's Expenditures	232,741.00				232,741.00
Other Purposes	311,849.16				311,849.16
Unassigned	1,917.70				1,917.70
<b>Total Fund Balances</b>	<b>3,521,513.62</b>	<b>87,860.36</b>	<b>12,368,863.59</b>	<b>32,717.68</b>	<b>16,010,955.25</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,644,916.85</b>	<b>\$ 1,761,275.77</b>	<b>\$ 12,574,560.71</b>	<b>\$ 32,717.68</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$29,632,678.64 and the accumulated depreciation is \$15,086,788.40.	14,545,890.24
Long-term liabilities, including bonds payable, pension liability, financed purchases and compensated absences are not due and payable in the current period and are not reported as liabilities in the funds.	(16,738,329.20)
Deferred loss on refundings are not financial resources and therefore are not reported in the funds.	68,518.60
Accrued interest on bonds payable and financed purchases is not due and payable in the current period and therefore are not reported as liabilities in the funds.	(228,435.12)
Accounts Payable related to the April 1, 2024 Required PERS pension contribution that is not to be liquidated with current financial resources.	(245,500.00)
Deferred Outflows of Resources - Related to Pensions	535,792.00
Deferred Inflows of Resources - Related to Pensions	(916,988.00)
<b>Net position of governmental activities</b>	<b>\$ 13,031,903.77</b>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 8,393,247.00			\$ 387,813.00	\$ 8,781,060.00
Tuition	61,743.95				61,743.95
Transportation	53,742.40				53,742.40
Other Restricted Miscellaneous Revenues	1,452.17				1,452.17
State Sources	6,253,405.24	\$ 1,669,549.50	\$ 8,032.00		7,930,986.74
Federal Sources		579,953.00			579,953.00
Miscellaneous	463,199.56	103,414.74			566,614.30
<b>Total Revenues</b>	<b>15,226,790.32</b>	<b>2,352,917.24</b>	<b>8,032.00</b>	<b>387,813.00</b>	<b>17,975,552.56</b>
<b>EXPENDITURES:</b>					
Regular Instruction	3,590,803.60				3,590,803.60
Special Education Instruction	1,298,116.90	555,852.99			1,853,969.89
Other Special Instruction	320,171.17				320,171.17
Other Instruction	78,501.07				78,501.07
Tuition	12,115.60				12,115.60
Support Services and Undistributed Costs:					
Student and Instruction Related Services	1,448,327.87	133,891.57			1,582,219.44
School Administrative Services	210,802.53				210,802.53
Other Administrative Services	624,883.25				624,883.25
Plant Operations and Maintenance	1,122,159.82				1,122,159.82
Pupil Transportation	629,961.86				629,961.86
Unallocated Benefits	3,237,253.31	6,000.00			3,243,253.31
Reimbursed TPAF Pension and Social Security	2,684,383.24				2,684,383.24
Debt Service:					
Principal				360,000.00	360,000.00
Interest				27,812.50	27,812.50
Debt Issuance Costs			136,257.00		136,257.00
Capital Outlay	208,200.20	1,649,054.50	1,435,106.41		3,292,361.11
<b>Total Expenditures</b>	<b>15,465,680.42</b>	<b>2,344,799.06</b>	<b>1,571,363.41</b>	<b>387,812.50</b>	<b>19,769,655.39</b>
Excess (Deficiency) of Revenues over Expenditures	(238,890.10)	8,118.18	(1,563,331.41)	0.50	(1,794,102.83)
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from Issuance of Bonds			12,638,000.00		12,638,000.00
Premium from Issuance of Bonds			136,257.00		136,257.00
Transfer - Capital Reserve to Capital Projects	(1,157,938.00)		1,157,938.00		
<b>Total Other Financing Sources and Uses</b>	<b>(1,157,938.00)</b>	<b>-</b>	<b>13,932,195.00</b>	<b>-</b>	<b>12,774,257.00</b>
<b>Net Change in Fund Balances</b>	<b>(1,396,828.10)</b>	<b>8,118.18</b>	<b>12,368,863.59</b>	<b>0.50</b>	<b>10,980,154.17</b>
Fund Balance, July 1	4,918,341.72	79,742.18	-	32,717.18	5,030,801.08
<b>Fund Balance -- June 30</b>	<b>\$ 3,521,513.62</b>	<b>\$ 87,860.36</b>	<b>12,368,863.59</b>	<b>\$ 32,717.68</b>	<b>\$ 16,010,955.25</b>

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

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

Net Change in Fund Balances - Governmental Funds	\$ 10,980,154.17
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 exceeded depreciation in the period.	
Depreciation	\$ (680,152.62)
Capital Outlays	<u>3,292,361.11</u>
	2,612,208.49
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	360,000.00
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the difference in the treatment of the long-term debt related items.	
Amortization of Loss on Early Retirement of Debt	(34,259.32)
Amortization of Bond Sale Premiums	28,173.75
Repayment of financed purchases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	89,706.29
Proceeds from issuance of serial bonds, including premiums received, is a revenue in the governmental funds, but increases long-term liabilities in the statement of net position and is not reported in the statement of activities.	(12,774,257.00)
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation. (+)	(215,324.32)
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	(5,063.79)
Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which the pension benefits earned exceeded School District's pension contributions in the current period.	<u>483,637.00</u>
Change in Net Position of Governmental Activities	<u>\$ 1,524,975.27</u>

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Proprietary Fund  
 Business Type Activities - Enterprise Fund  
 Statement of Net Position  
 June 30, 2023

	<u>Food Service</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 74,377.40
Accounts Receivable:	
State	170.77
Federal	3,230.04
Other	2,606.03
Inventories	<u>8,026.12</u>
Total Current Assets	<u>88,410.36</u>
Noncurrent Assets:	
Capital Assets:	
Furniture, Fixtures and Equipment	207,235.90
Less Accumulated Depreciation	<u>(157,017.14)</u>
Total Noncurrent Assets	<u>50,218.76</u>
Total Assets	<u>138,629.12</u>
LIABILITIES:	
Current Liabilities:	
Unearned Revenue	<u>4,611.24</u>
Total Current Liabilities	<u>4,611.24</u>
NET POSITION:	
Net Investment in Capital Assets	50,218.76
Unrestricted	<u>83,799.12</u>
Total Net Position	<u>\$ 134,017.88</u>

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Proprietary Fund  
Business Type Activities - Enterprise Fund  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Reimbursable Programs:	
School Lunch Program	\$ 114,048.50
Daily Sales - Non-Reimbursable Programs	106,383.36
Special Functions	<u>379.87</u>
Total Operating Revenues	<u>220,811.73</u>
<b>OPERATING EXPENSES:</b>	
Salaries	139,299.00
Employee Benefits	22,232.48
General Supplies	9,630.96
Depreciation	7,452.28
Administrative Fee	31,704.80
Other Purchased Services	9,278.91
Cost of Sales - Reimbursable Programs	75,630.35
Cost of Sales - Non-Reimbursable Programs	<u>33,632.15</u>
Total Operating Expenses	<u>328,860.93</u>
Operating Income / (Loss)	<u>(108,049.20)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>	
State Sources:	
State School Lunch Program	2,848.71
Federal Sources:	
National School Lunch Program	55,101.84
Supply Chain Assistance	43,808.47
Food Distribution Program	24,276.48
Interest Revenue	<u>3,432.63</u>
Total Nonoperating Revenues (Expenses)	<u>129,468.13</u>
Change in Net Position	21,418.93
Net Position -- July 1	<u>112,598.95</u>
Net Position -- June 30	<u>\$ 134,017.88</u>

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Proprietary Fund  
Business Type Activities - Enterprise Fund  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 219,746.81
Payments to Employees	(148,168.10)
Payments for Employee Benefits	(22,232.48)
Payments for Supplies and Services	<u>(171,319.99)</u>
Net Cash Provided by (used for) Operating Activities	<u>(121,973.76)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
State Sources	3,227.30
Federal Sources	143,827.75
Operating Subsidies and Transfers to Other Funds	<u>(32,507.71)</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>114,547.34</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchases of Capital Assets	<u>(34,471.40)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest Revenue	<u>3,432.63</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(38,465.19)
Cash and Cash Equivalents -- July 1	<u>112,842.59</u>
Cash and Cash Equivalents -- June 30	<u>\$ 74,377.40</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	<u>\$ (108,049.20)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation	7,452.28
(Increase) Decrease in Accounts Receivable	(2,497.52)
(Increase) Decrease in Inventories	(1,436.86)
Increase (Decrease) in Accounts Payable	(18,875.06)
Increase (Decrease) in Unearned Revenue	<u>1,432.60</u>
Total Adjustments	<u>(13,924.56)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (121,973.76)</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>	
Food Distribution Program	<u>\$ 24,276.48</u>

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2023

---

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Township of Tabernacle School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Pre-K through 8 at its two schools. The School District has an approximate enrollment at June 30, 2023 of 678.

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

**Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation**

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Internal service funds are aggregated and presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Burlington County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

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



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The School District reports the following major governmental funds (cont'd):

**General Fund (Cont'd)** - Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

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

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

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

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for internal service funds include salaries, benefits, administrative expenses, and claims paid. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

**Enterprise Funds**

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

As a rule, the effect of internal/interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as 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. 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 budgetary basis. The budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The budget, as detailed on exhibit C-1, exhibit C-2, and exhibit I-3, includes all amendments to the adopted budget, if any.

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

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities, but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Encumbrances (Cont'd)**

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

**Cash, Cash Equivalents and Investments**

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

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

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 public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

**Inventories**

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

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

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

**Tuition Receivable**

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

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2023. The School District had no prepaid expenses for the fiscal year ended June 30, 2023.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Prepaid Expenses (Cont'd)**

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

**Short-Term Interfund Receivables / Payables**

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered internal balances; therefore, such balances appear on the statement of net position as accounts receivable or accounts payable.

**Capital Assets**

Capital assets represent the cumulative amount of capital assets used by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. Intangible right to use assets (lease and subscription assets) are recorded as expenditures in the governmental fund financial statements. Lease assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Subscription assets are recorded as expenditures in the governmental fund financial statements. Subscription assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over the useful life of the assets. Lease and subscription assets are amortized in a systematic and rational manner over the shorter of the lease and subscription term or the useful life of the underlying assets. The useful lives of the School District's capital assets are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	3 - 15 Years
Buildings and Improvements	15 - 50 Years
Land Improvements	15 Years

The School District does not possess any infrastructure assets.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Deferred Outflows of Resources and Deferred Inflows of Resources**

The statement of net position and the balance sheet for governmental funds reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: loss on refunding of debt and defined benefit pension plans.

**Tuition Payable**

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

**Unearned Revenue**

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

**Accrued Salaries and Wages**

Certain School District employees who provide services to the School 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 amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

**Compensated Absences**

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds.

However, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

**Bond Discounts / Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

**Net Position**

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

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

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

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Fund Balance**

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

***Nonspendable*** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted*** - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed*** - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

***Assigned*** - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

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

**Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources / uses in governmental funds and after non-operating revenues / expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Accounting Estimates**

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

**Impact of Recently Issued Accounting Principles****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement that will become effective for the School District for fiscal years ending after June 30, 2024:

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The Statement will become effective for the School District in the fiscal year ending June 30, 2025. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2023, the School District's bank balances of \$4,120,601.39 were insured by FDIC or GUDPA.

**Note 3: INVESTMENTS**

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.



**Note 3: INVESTMENTS (CONT'D)**

**Custodial Credit Risk Related to Investments** - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy to limit its exposure to custodial credit risk. As of June 30, 2023, the School District's investments were exposed to custodial credit risk as follows:

Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the School District's name	<u>\$ 11,935,360.19</u>
--	-------------------------

As of June 30, 2023, the School District had the following investments:

<u>Investment</u>	<u>Maturities (Months Average)</u>	<u>Fair Value Hierarchy Level</u> *	<u>Fair Value</u>
U.S. Government Treasuries and New Jersey Notes and Bonds	6	Level 3	\$ 6,000,000.00
Money Market Mutual Fund	daily	Level 1	<u>5,935,360.19</u>
Total			<u>\$ 11,935,360.19</u>

\* Level 1 inputs are quoted (unadjusted) prices in active markets for identical assets that the government can access at the measurement date. Observable markets include exchange markets, dealer markets, brokered markets and principal-to-principal markets.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation.

Level 3 inputs are unobservable inputs for the asset; they should be used only when the relevant Level 1 and Level 2 inputs are unavailable.

**Interest Rate Risk** - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The weighted average maturity of the School District's investment portfolio was 180 days as of June 30, 2023. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Note 3: INVESTMENTS (CONT'D)**

**Credit Risk** - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy that would further limit its exposure to credit risk. As of June 30, 2023, the School District's investments had the following ratings:

<u>Investment</u>	<u>Standard &amp; Poor's</u>	<u>Moody's</u>
U.S. Government Treasuries and New Jersey Notes and Bonds	Various	Various
Money Market Mutual Fund	AAA	Not Rated

**Concentration of Credit Risk** - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District's investment policies place no limit on the amount the School District may invest in any one issuer.

**Note 4: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District during the 1999-2000 fiscal year for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**Note 4: CAPITAL RESERVE ACCOUNT (CONT'D)**

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

Beginning Balance, July 1, 2022	\$ 2,339,518.03
Increased by:	
Interest Earnings	<u>31,816.53</u>
	2,371,334.56
Decreased by:	
Withdrawals:	
Transfer to Capital Projects	<u>1,157,938.00</u>
Ending Balance, June 30, 2023	<u>\$ 1,213,396.56</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted projects at June 30, 2023 is \$12,638,120.00. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

**Note 5: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2023 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>		<u>Total Governmental Activities</u>	<u>Proprietary Fund</u>	
	<u>General Fund</u>	<u>Special Revenue Fund</u>		<u>Food Service Fund</u>	<u>Total</u>
Federal Awards		\$ 28,111.91	\$ 28,111.91	\$ 3,230.04	\$ 31,341.95
State Awards	\$ 138,137.21	1,645,303.50	1,783,440.71	170.77	1,783,611.48
Other				<u>2,606.03</u>	<u>2,606.03</u>
Total	<u>\$ 138,137.21</u>	<u>\$ 1,673,415.41</u>	<u>\$ 1,811,552.62</u>	<u>\$ 6,006.84</u>	<u>\$ 1,817,559.46</u>

**Note 6: INVENTORY**

Inventory recorded at June 30, 2023 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 5,170.41
Supplies	<u>2,855.71</u>
	<u>\$ 8,026.12</u>

**Note 7: CAPITAL ASSETS**

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

	<u>Balance July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2023</u>
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Construction in Progress	-	\$ 3,067,399.91	-	\$ 3,067,399.91
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	\$ 2,187,395.17	222,600.21		2,409,995.38
Buildings and Improvements	24,067,155.86			24,067,155.86
Land Improvements	85,766.50	2,390.99		88,157.49
Total Capital Assets, being Depreciated	<u>26,340,317.53</u>	<u>224,991.20</u>	<u>-</u>	<u>26,565,308.73</u>
Total Capital Assets, Cost	<u>26,340,317.53</u>	<u>3,292,391.11</u>	<u>-</u>	<u>29,632,708.64</u>
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(1,639,524.26)	(160,412.21)		(1,799,936.47)
Buildings and Improvements	(12,694,741.06)	(517,088.64)		(13,211,829.70)
Land Improvements	(72,370.46)	(2,651.77)		(75,022.23)
Total Accumulated Depreciation	<u>(14,406,635.78)</u>	<u>(680,152.62)</u>	<u>-</u>	<u>(15,086,788.40)</u>
Total Capital Assets, being Depreciated, Net	<u>11,933,681.75</u>	<u>(455,161.42)</u>	<u>-</u>	<u>11,478,520.33</u>
Governmental Activities Capital Assets, Net	<u>\$ 11,933,681.75</u>	<u>\$ 2,612,238.49</u>	<u>-</u>	<u>\$ 14,545,920.24</u>
	<u>Balance July 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2023</u>
<b>Business-Type Activities:</b>				
Capital Assets, being Depreciated:				
Furniture, Fixtures and Equipment	\$ 172,764.50	\$ 34,471.40		\$ 207,235.90
Less Accumulated Depreciation for:				
Furniture, Fixtures and Equipment	(149,564.86)	(7,452.28)		(157,017.14)
Business-Type Activities Capital Assets, Net	<u>\$ 23,199.64</u>	<u>\$ 27,019.12</u>	<u>-</u>	<u>\$ 50,218.76</u>

**Note 7: CAPITAL ASSETS (CONT'D)**

Depreciation expense was charged to functions / programs of the School District as follows:

<b>Governmental Activities:</b>	
Regular Instruction	\$ 24,593.70
Other Administrative Services	7,698.83
Plant Operations and Maintenance	26,388.73
Pupil Transportation	105,154.20
Unallocated	516,317.16
	<hr/>
Total Depreciation Expense - Governmental Activities	\$ 680,152.62
	<hr/>
<b>Business-Type Activities:</b>	
Food Service	\$ 7,452.28
	<hr/>

**Note 8: LONG-TERM LIABILITIES**

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

	<u>Balance July 1, 2022</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2023</u>	<u>Due within One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 1,070,000.00	\$ 12,638,000.00	\$ (360,000.00)	\$ 13,348,000.00	\$ 360,000.00
Add Amounts:					
Issuance Premiums	64,082.70	136,257.00	(28,173.75)	172,165.95	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Bonds Payable	1,134,082.70	12,774,257.00	(388,173.75)	13,520,165.95	360,000.00
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Other Liabilities:					
Net Pension Liability	2,150,093.00	2,054,371.00	(1,399,226.00)	2,805,238.00	
Financed Purchases	89,706.29		(89,706.29)		
Compensated Absences	407,861.46	86,636.08	(81,572.29)	412,925.25	82,585.05
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Liabilities	2,647,660.75	2,141,007.08	(1,570,504.58)	3,218,163.25	82,585.05
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Governmental Activities Long-Term Liabilities	\$ 3,781,743.45	\$ 14,915,264.08	\$ (1,958,678.33)	\$ 16,738,329.20	\$ 442,585.05
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The bonds payable are generally liquidated by the debt service fund, while compensated absences, net pension liability and financed purchases are liquidated by the general fund.

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

**Note 8: LONG-TERM LIABILITIES (CONT'D)**

**Bonds Payable (Cont'd)** - On October 18, 2013, the School District issued \$6,250,000.00 of Refunding School Bonds to provide funding to advance refund the callable portion of the outstanding 2003 and 2005 Bond Issues. The Refunding Bonds were issued at interest rates varying from 2.00% to 3.125%. The final maturity of these bonds is September 1, 2024.

On December 15, 2022, the School District issued School Bonds, Series 2022 in the amount of \$12,638,000.00. The proceeds of the Bonds will be used to finance a portion of the cost of various improvements, alterations, renovations, and upgrades at Tabernacle Elementary School and Kenneth R. Olson Middle School, including acquisition and installation of fixtures, furniture and equipment. The Bonds were issued at interest rates varying from 3.00% to 4.00%. The final maturity of these bonds is August 15, 2042.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 360,000.00	\$ 519,096.05	\$ 879,096.05
2025	808,000.00	444,195.01	1,252,195.01
2026	475,000.00	424,731.26	899,731.26
2027	500,000.00	410,106.26	910,106.26
2028	515,000.00	394,881.26	909,881.26
2029-2033	2,885,000.00	1,726,306.30	4,611,306.30
2034-2038	3,520,000.00	1,208,496.89	4,728,496.89
2039-2043	4,285,000.00	439,500.00	4,724,500.00
Total	<u>\$ 13,348,000.00</u>	<u>\$ 5,567,313.03</u>	<u>\$ 18,915,313.03</u>

**Bonds Authorized but not Issued** - As of June 30, 2023, the School District had no authorizations to issue additional bonded debt.

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**Note 9: PENSION PLANS**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Empower (formerly Prudential Financial).

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

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

**General Information about the Pension Plans****Plan Descriptions**

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

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, disability, and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

**Tier Definition**

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

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

**Public Employees' Retirement System** - 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 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.



**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Public Employees' Retirement System (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 tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more 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.

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. The State's contribution is based on an actuarially determined amount, which includes 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.

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

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 38.32% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute to the pension plan during the fiscal year ended June 30, 2023 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2022, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$2,006,150.00, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$398,371.73.

**Note 9: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2022. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability.

*Special Funding Situation Component* - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers. The amounts contributed on behalf of the local participating employers under this legislation is considered to be 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 under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2023 was 18.26% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2022, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2023 was \$234,408, and was paid by April 1, 2023. School District employee contributions to the Plan during the fiscal year ended June 30, 2023 were \$102,853.85.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the School District, under Chapter 133, P.L. 2001, for the fiscal year ended June 30, 2023 was 0.00% of the School District's covered payroll.

Based on the most recent PERS measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2023 was \$0.00.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2023, employee contributions totaled \$10,877.68, and the School District recognized pension expense, which equaled the required contributions, of \$6,146.09. There were no forfeitures during the fiscal year.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Teachers' Pension and Annuity Fund**

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

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer	<u>24,731,169.00</u>
	<u>\$ 24,731,169.00</u>

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. For the June 30, 2022 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At the June 30, 2022 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was .0479338102%, which was a decrease of .0046728520% from its proportion measured as of June 30, 2021.

**Pension (Benefit) Expense** - For the fiscal year ended June 30, 2023, the State's proportionate share of the pension (benefit) expense, associated with the School District, calculated by the Plan as of June 30, 2022 measurement date, was \$665,585.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

**Public Employees' Retirement System**

**Pension Liability** - At June 30, 2023, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The School District reported a liability of \$2,805,238.00 for its proportionate share of the net pension liability for PERS. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. The total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2022 measurement date, the School District's proportion was .0185883484%, which was an increase of .0004387407% from its proportion measured as of June 30, 2021.

**Pension (Benefit) Expense** - For the fiscal year ended June 30, 2023, the School District recognized pension (benefit) expense of (\$249,230), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2022 measurement date.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources** - At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between Expected and Actual Experience	\$ 20,247.00	\$ 17,855.00
Changes of Assumptions	8,692.00	420,055.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	116,106.00	-
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	145,247.00	479,078.00
Contributions Subsequent to the Measurement Date	245,500.00	-
	<u>\$ 535,792.00</u>	<u>\$ 916,988.00</u>

Deferred outflows of resources in the amount of \$245,500.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ending June 30,</b>	
2024	\$ (323,512.00)
2025	(251,991.00)
2026	(180,688.00)
2027	129,120.00
2028	375.00
	<u>\$ (626,696.00)</u>

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

**Deferred Outflows and Inflows of Resources (Cont'd)** - The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience			Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2017	5.48	-	June 30, 2018	5.00	-
June 30, 2018	-	5.63	June 30, 2019	5.00	-
June 30, 2019	5.21	-	June 30, 2020	5.00	-
June 30, 2020	5.16	-	June 30, 2021	5.00	-
June 30, 2021	-	5.13	June 30, 2022	5.00	-
June 30, 2022	-	5.04			
Changes of Assumptions			Changes in Proportion		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2017	-	5.48	June 30, 2017	5.48	5.48
June 30, 2018	-	5.63	June 30, 2018	5.63	5.63
June 30, 2019	-	5.21	June 30, 2019	5.21	5.21
June 30, 2020	-	5.16	June 30, 2020	5.16	5.16
June 30, 2021	5.13	-	June 30, 2021	5.13	5.13
June 30, 2022	-	5.04	June 30, 2022	5.04	5.04

**Actuarial Assumptions**

The net pension liabilities were measured as of June 30, 2022 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2021. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2022. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 5.65%	2.75% - 6.55%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

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

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

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2022 measurement date) 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 rates of return for each major asset class included in TPAF's and PERS' target asset allocation as of the June 30, 2022 measurement date 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-US Developed Markets Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)****Discount Rate -**

**Teachers' Pension and Annuity Fund** - 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 would be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to projected benefit payments in determining the total pension liability.

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

**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2022, the Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2022 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 7.00% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer	<u>28,997,821.00</u>	<u>24,731,169.00</u>	<u>21,137,051.00</u>
	<u>\$ 28,997,821.00</u>	<u>\$ 24,731,169.00</u>	<u>\$ 21,137,051.00</u>

**Note 9: PENSION PLANS (CONT'D)****Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2022, the Plan's measurement date, calculated using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>PERS</b>		
	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
Proportionate Share of the Net Pension Liability	\$ 3,603,909.00	\$ 2,805,238.00	\$ 2,125,536.00

**Pension Plan Fiduciary Net Position**

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

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

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

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

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



**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

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

**Employees Covered by Benefit Terms** - At June 30, 2022, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>364,817</u>

**Total Non-Employer OPEB Liability**

The State of New Jersey, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the statement of net position.

The State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2023 was \$38,285,964.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. For the June 30, 2022 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was .0755945465%, which was an increase of .0007403133% from its proportion measured as of June 30, 2021.

**Actuarial Assumptions and Other Inputs** - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2021, which was rolled forward to June 30, 2022, used the following actuarial assumptions, applied to all periods in the measurement:

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)****Actuarial Assumptions and Other Inputs (Cont'd) -**

	<u>TPAF/ABP*</u>	<u>PERS *</u>	<u>PFRS *</u>
Salary Increases	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%

\* based on service years

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

**Experience Studies** - The actuarial assumptions used in the June 30, 2021 valuation, which was rolled forward to June 30, 2022, were based on the results of actuarial experience studies for the periods July 1, 2018 to June 30, 2021 for TPAF, PERS, and PFRS.

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

**Discount Rate** - The discount rate for June 30, 2022 measurement date was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability**

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

Balance at June 30, 2022		\$ 44,918,267.00
Changes for the Year:		
Service Cost	\$ 1,414,374.00	
Interest Cost	1,014,620.00	
Changes in Benefit Terms	-	
Difference between Expected and Actual Experience	2,182,026.00	
Changes in Assumptions	(10,270,553.00)	
Member Contributions	32,241.00	
Gross Benefit Payments	<u>(1,005,011.00)</u>	
Net Changes		<u>(6,632,303.00)</u>
Balance at June 30, 2023		<u>\$ 38,285,964.00</u>

Differences between expected and actual experience reflect an increase in liability for the measurement period from June 30, 2021 to June 30, 2022 due to changes in the census and premium and claims experience.

Changes in assumptions reflect a decrease in the liability for the measurement period from June 30, 2021 to June 30, 2022 is due to the combined effect of the discount rate change; and changes in the trend, and experience study.

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2022, associated with the School District, using a discount rate of 3.54%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease <u>(2.54%)</u>	Current Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 45,001,123.00</u>	<u>\$ 38,285,964.00</u>	<u>\$ 32,904,099.00</u>

**Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates** - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2022, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 31,645,689.00</u>	<u>\$ 38,285,964.00</u>	<u>\$ 47,008,368.00</u>

**Note 10: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)****OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability**

**OPEB Expense** - For the fiscal year ended June 30, 2023, the School District recognized (\$178,551.00) in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB expense, associated with the School District. This expense and revenue was based on the OPEB Plan's June 30, 2022 measurement date.

**Deferred Outflows and Inflows of Resources** - In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District; however, at June 30, 2023, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between Expected and Actual Experience	\$ 6,835,563.00	\$ 11,689,147.00
Changes of Assumptions	6,626,331.00	13,030,451.00
Changes in Proportion	<u>430,013.00</u>	<u>4,700,559.00</u>
	<u>\$ 13,891,907.00</u>	<u>\$ 29,420,157.00</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

<b>Fiscal Year Ending June 30,</b>	
2024	\$ (2,608,836.00)
2025	(2,608,836.00)
2026	(2,608,836.00)
2027	(2,331,008.00)
2028	(1,581,607.00)
Thereafter	<u>(3,789,127.00)</u>
	<u>\$ (15,528,250.00)</u>

**Note 11: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2023, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$1,799,001.00, \$24,959.00, \$479,150.00, and \$712.00, respectively.

**Note 12: RISK MANAGEMENT**

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

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

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

The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending Balance</u>	
				<u>Claims</u> <u>Payable</u>	<u>Restricted</u> <u>Fund</u> <u>Balance</u>
2023	\$ 13,881.20	\$ 1,452.17	\$ 13,674.50	\$ 25,405.01	\$ 34,105.85
2022	13,019.13	631.21		25,198.31	32,653.68
2021	12,179.18	940.48		12,179.18	32,022.47

**Joint Insurance Pool** - The School District is a member of the Burlington County Insurance Pool Joint Insurance Fund. The Fund provides its members with the following coverage:

- Workers' Compensation including Employer's Liability
- General Liability including Employee Benefit Liability
- Automobile Liability
- Blanket Crime including Public Employee Dishonesty
- Property Including Boiler and Machinery
- Public Officials and Employment Practices Liability
- Volunteer Directors and Officers Liability
- Cyber Liability

Contributions to the Fund, including a reserve for contingencies, are payable in two installments and are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention, or administrative accounts to assure the payment of the Fund's obligations. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

For more information regarding claims, coverages and deductibles, the Fund publishes its own financial report that can be obtained from:

Burlington County Insurance Pool Joint Insurance Fund  
P.O. Box 449  
Marlton, New Jersey 08053

**Note 13: DEFERRED COMPENSATION**

The School District offers its employees a choice of several deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning, Inc.  
 AXA Equitable  
 MetLife  
 Voya  
 AIG Valic  
 Vanguard Mutual Funds

**Note 14: COMPENSATED ABSENCES**

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years.

School District employees are entitled to two personal days which may be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2023, the liability for compensated absences reported on the government-wide statement of net position was \$412,925.25.

**Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Interfunds** - The composition of interfund balances as of June 30, 2023 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 1,837,811.15	
Special Revenue		\$ 1,634,537.03
Capital Projects		203,274.12
Totals	<u>\$ 1,837,811.15</u>	<u>\$ 1,837,811.15</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2024, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

**Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONT'D)**

**Transfers -**

	<b>Transfer In:</b>
	<b>Capital Projects Fund</b>
<b>Transfer Out:</b>	
General Fund	<b>\$ 1,157,938.00</b>

The \$1,157,938.00 transfer from the general fund to the capital projects fund is the local funding of a new capital project.

**Note 16: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

**Litigation** - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

**Note 17: CONCENTRATIONS**

The School District depends on financial resources flowing from, or associated with, both the Federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

**Note 18: FUND BALANCES**

**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

**General Fund**

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation. 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 years' budget. The excess fund balance at June 30, 2023 is \$456,519.68. Additionally, \$653,956.66 of excess fund balance generated during 2021-2022 has been restricted and designated for utilization in the 2023-2024 budget.

**Note 18: FUND BALANCES (CONT'D)****RESTRICTED (CONT'D)****General Fund (Cont'd)**

**For Capital Reserve Account** - As of June 30, 2023, the balance in the capital reserve account is \$1,213,396.56. Of this amount, \$450,000.00 has been restricted and designated for utilization in the 2023-2024 budget. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Maintenance Reserve Account** - As of June 30, 2023, the balance in the maintenance reserve account is \$617,027.01. Of this amount, \$90,000.00 has been restricted and designated for utilization in the 2023-2024 budget. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**For Unemployment Compensation** - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 12). As a result, there exists at June 30, 2023 a restricted fund balance from employer contributions in the amount of \$34,105.85 for future unemployment claims.

**Special Revenue Fund**

**For Scholarships** - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships for future teachers. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2023 is \$8,101.69.

**For Student Activities** - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2023 is \$79,758.67.

**Capital Projects Fund** - On December 12, 2022, the School District issued \$12,638,000.00 of general obligation bonds pursuant to: (i) Chapter 24 of Title 18A of the New Jersey Statutes, as amended and supplemented ("School Bond Law"). The Bonds were authorized by a proposal adopted by the Board on July 18, 2022 and approved by the voters of the School District at a special election. In addition, on September 15, 2022, the School District transferred \$1,157,938.00 of capital reserve funds for HVAC improvements. As of June 30, 2023, the restricted fund balance amount was \$12,368,863.59.

**Debt Service Fund** - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly and documented by the voters in a bond referendum. As a result, the School District has \$32,717.68 of debt service fund balance at June 30, 2023.



**Note 18: FUND BALANCES (CONT'D)****ASSIGNED**

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

**General Fund**

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2024, \$232,741.00 of general fund balance at June 30, 2023.

**Other Purposes** - As of June 30, 2023, the School District had \$311,849.16 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**UNASSIGNED**

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

**General Fund** - As of June 30, 2023, \$1,917.70 of general fund balance was unassigned.

**Note 19: SUBSEQUENT EVENTS**

**COVID-19** - On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the School District's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the School District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2024.

REQUIRED SUPPLEMENTARY INFORMATION  
PART II

**BUDGETARY COMPARISON SCHEDULES**

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 8,393,247.00		\$ 8,393,247.00	\$ 8,393,247.00	
Tuition from Individuals	52,500.00		52,500.00	31,839.45	\$ (20,660.55)
Tuition from Other LEA's within the State				29,904.50	29,904.50
Transportation from Other LEA's within the State	7,500.00		7,500.00	53,742.40	46,242.40
Interest Earned on Capital Reserve Funds	5,500.00		5,500.00	31,816.53	26,316.53
Interest Earned on Maintenance Reserve Funds	1,000.00		1,000.00	15,681.13	14,681.13
Other Restricted Miscellaneous Revenues				1,452.17	1,452.17
Rents and Royalties	10,000.00		10,000.00	13,337.50	3,337.50
Unrestricted Miscellaneous Revenues	150,000.00		150,000.00	402,364.40	252,364.40
<b>Total - Local Sources</b>	<b>8,619,747.00</b>	<b>-</b>	<b>8,619,747.00</b>	<b>8,973,385.08</b>	<b>353,638.08</b>
State Sources:					
Equalization Aid	2,106,050.00		2,106,050.00	2,106,050.00	
Categorical Special Education Aid	543,635.00		543,635.00	543,635.00	
Categorical Security Aid	66,283.00		66,283.00	66,283.00	
Categorical Transportation Aid	344,597.00		344,597.00	344,597.00	
Reimbursement for Lead Testing				2,982.00	2,982.00
Non-Public Transportation Aid				12,480.00	12,480.00
Extraordinary Aid	200,000.00		200,000.00	106,784.00	(93,216.00)
Vocational Expansion Stabilization Aid				329,199.00	329,199.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				380,561.24	380,561.24
On-behalf TPAF Medical Contributions (non-budgeted)				479,150.00	479,150.00
On-behalf TPAF Pension Contributions (non-budgeted)				1,799,001.00	1,799,001.00
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				24,959.00	24,959.00
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				712.00	712.00
<b>Total - State Sources</b>	<b>3,260,565.00</b>	<b>-</b>	<b>3,260,565.00</b>	<b>6,196,393.24</b>	<b>2,935,828.24</b>
<b>Total Revenues</b>	<b>11,880,312.00</b>	<b>-</b>	<b>11,880,312.00</b>	<b>15,169,778.32</b>	<b>3,289,466.32</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES:</b>					
<b>GENERAL CURRENT EXPENSE:</b>					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 234,123.00	\$ (22,483.00)	\$ 211,640.00	\$ 205,931.59	\$ 5,708.41
Grades 1 - 5	1,862,041.00	(180,213.00)	1,681,828.00	1,631,917.07	49,910.93
Grades 6 - 8	951,335.00	159,117.76	1,110,452.76	1,080,292.23	30,160.53
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000.00	(971.00)	4,029.00	3,771.71	257.29
Purchased Professional/Educational Services		10,700.00	10,700.00	10,312.50	387.50
Regular Programs - Undistributed Instruction:					
Purchased Professional/Educational Services	124,409.90	51,150.00	175,559.90	174,313.24	1,246.66
Rental/Lease Other Purchased		27,788.00	27,788.00	27,692.80	95.20
Other Purchased Services	130,797.77	2,998.78	133,796.55	129,535.56	4,260.99
General Supplies	198,857.42	142,767.51	341,624.93	325,508.00	16,116.93
Textbooks	8,214.30		8,214.30	1,528.90	6,685.40
Other Objects	1,250.00	5,639.50	6,889.50	6,889.50	6,889.50
<b>Total Regular Programs</b>	<b>3,516,028.39</b>	<b>196,494.55</b>	<b>3,712,522.94</b>	<b>3,590,803.60</b>	<b>121,719.34</b>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	64,950.00	(9,750.00)	55,200.00	55,148.87	51.13
Other Salaries for Instruction	22,656.00	(269.00)	22,387.00	22,379.16	7.84
Purchased Professional/Educational Services	5,000.00	(5,000.00)	5,000.00	5,000.00	0.00
General Supplies	500.00	(250.00)	250.00	180.46	69.54
<b>Total - Learning and/or Language Disabilities</b>	<b>93,106.00</b>	<b>(15,269.00)</b>	<b>77,837.00</b>	<b>77,708.49</b>	<b>128.51</b>
Multiple Disabilities:					
Salaries of Teachers	144,144.00	(22,171.00)	121,973.00	121,844.46	128.54
Other Salaries for Instruction	55,325.00	(5,336.00)	49,989.00	49,921.23	67.77
Purchased Professional/Educational Services	3,500.00	(3,500.00)	3,500.00	3,500.00	0.00
General Supplies	789.98	250.00	1,039.98	569.37	470.61
<b>Total - Multiple Disabilities</b>	<b>203,758.98</b>	<b>(30,757.00)</b>	<b>173,001.98</b>	<b>172,335.06</b>	<b>666.92</b>
Resource Room/Center:					
Salaries of Teachers	795,930.00	(21,208.00)	774,722.00	774,397.29	324.71
Other Salaries for Instruction	206,118.00	(3,827.00)	202,291.00	202,113.95	177.05
Purchased Professional/Educational Services	8,000.00	(6,426.00)	1,574.00	773.50	800.50
General Supplies	1,000.00	200.00	1,200.00	1,081.03	118.97
<b>Total - Resource Room/Center</b>	<b>1,011,048.00</b>	<b>(31,261.00)</b>	<b>979,787.00</b>	<b>978,365.77</b>	<b>1,421.23</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 62,205.00	\$ 7,467.00	\$ 69,672.00	\$ 68,891.98	\$ 780.02
Other Salaries for Instruction	13,887.00	(13,122.00)	765.00		765.00
Purchased Professional/Educational Services	4,000.00	(4,000.00)			
General Supplies	1,700.00	(778.00)	922.00	815.60	106.40
<b>Total - Preschool Disabilities - Part-Time</b>	<b>81,792.00</b>	<b>(10,433.00)</b>	<b>71,359.00</b>	<b>69,707.58</b>	<b>1,651.42</b>
<b>Total - Special Education</b>	<b>1,389,704.98</b>	<b>(87,720.00)</b>	<b>1,301,984.98</b>	<b>1,298,116.90</b>	<b>3,868.08</b>
Basic Skills/Remedial:					
Salaries of Teachers	374,092.00	(54,081.00)	320,011.00	319,817.08	193.92
Purchased Professional/Educational Services	2,000.00	(2,000.00)			
General Supplies	500.00	40.00	540.00	354.09	185.91
<b>Total - Basic Skills/Remedial</b>	<b>376,592.00</b>	<b>(56,041.00)</b>	<b>320,551.00</b>	<b>320,171.17</b>	<b>379.83</b>
Bilingual Education:					
General Supplies	750.00	(750.00)	-	-	-
<b>Total - Bilingual Education</b>	<b>750.00</b>	<b>(750.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>
School Sponsored Cocurricular Activities - Instruction:					
Salaries	36,106.00	737.00	36,843.00	29,739.28	7,103.72
Purchased Services (300-500 series)	3,000.00	(2,960.00)	40.00	40.00	
Supplies and Materials	2,500.00	(900.00)	1,600.00	1,521.35	78.65
Other Objects	1,500.00	(1,500.00)			
<b>Total - School Sponsored Cocurricular Activities - Instruction</b>	<b>43,106.00</b>	<b>(4,623.00)</b>	<b>38,483.00</b>	<b>31,300.63</b>	<b>7,182.37</b>
School- Sponsored Athletics - Instruction:					
Salaries	45,427.00	(6,800.00)	38,627.00	34,086.60	4,540.40
Purchased Services (300-500 series)	5,000.00	(1,430.00)	3,570.00	3,570.00	
Supplies and Materials	5,500.00	4,300.00	9,800.00	9,543.84	256.16
Other Objects	1,500.00	(1,500.00)			
<b>Total - School Sponsored Athletics - Instruction</b>	<b>57,427.00</b>	<b>(5,430.00)</b>	<b>51,997.00</b>	<b>47,200.44</b>	<b>4,796.56</b>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs within State-Regular		1,092.00	1,092.00	1,092.00	
Tuition to CSSD & Reg. Day Schools	11,386.00	(342.00)	11,044.00	11,023.60	20.40
<b>Total Undistributed Expenditures - Instruction</b>	<b>11,386.00</b>	<b>750.00</b>	<b>12,136.00</b>	<b>12,115.60</b>	<b>20.40</b>
<b>Total - Instruction</b>	<b>5,394,994.37</b>	<b>42,680.55</b>	<b>5,437,674.92</b>	<b>5,299,708.34</b>	<b>137,966.58</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures:					
Attendance and Social Work:					
Salaries	\$ 89,316.00	\$ 15,614.06	\$ 104,930.06	\$ 101,917.03	\$ 3,013.03
Health Services:					
Salaries	172,987.00	(13,360.89)	159,626.11	158,564.30	1,061.81
Purchased Professional and Technical Services	8,500.00	(1,752.00)	6,748.00	6,698.76	49.24
Other Purchased Services	900.00		900.00	900.00	900.00
Supplies and Materials	7,477.76	(800.00)	6,677.76	6,019.25	658.51
<b>Total Health Services</b>	<b>189,864.76</b>	<b>(15,912.89)</b>	<b>173,951.87</b>	<b>171,282.31</b>	<b>2,669.56</b>
Speech, OT, PT & Related Services:					
Salaries	164,129.00	(3,466.00)	160,663.00	149,150.16	11,512.84
Purchased Professional - Educational Services	95,000.00	(7,939.00)	87,061.00	87,061.00	900.00
Supplies and Materials	1,000.00		1,000.00	169.43	830.57
<b>Total Speech, OT, PT &amp; Related Services</b>	<b>260,129.00</b>	<b>(11,405.00)</b>	<b>248,724.00</b>	<b>236,380.59</b>	<b>12,343.41</b>
Other Support Services-Students-Related Services:					
Purchased Professional - Educational Services	20,000.00	64,300.00	84,300.00	84,255.00	45.00
<b>Total - Other Support Services-Students-Related Services</b>	<b>20,000.00</b>	<b>64,300.00</b>	<b>84,300.00</b>	<b>84,255.00</b>	<b>45.00</b>
Guidance:					
Salaries of Other Professional Staff	220,957.00	(6,849.00)	214,108.00	205,964.15	8,143.85
Supplies and Materials	500.00	(500.00)			
<b>Total Guidance</b>	<b>221,457.00</b>	<b>(7,349.00)</b>	<b>214,108.00</b>	<b>205,964.15</b>	<b>8,143.85</b>
Child Study Teams:					
Salaries of Other Professional Staff	158,895.00	33,005.00	191,900.00	184,661.67	7,238.33
Salaries of Secretarial and Clerical Assistants	53,300.00	(1,278.00)	52,022.00	51,524.67	497.33
Purchased Professional - Educational Services	16,000.00	(10,355.00)	5,645.00	5,605.67	39.33
Other Purchased Services (400-500 series)	500.00	(300.00)	200.00	200.00	
Supplies and Materials	6,201.38	(176.00)	6,025.38	5,471.36	554.02
Other Objects	1,980.00	(1,980.00)			
<b>Total Child Study Teams</b>	<b>236,876.38</b>	<b>18,916.00</b>	<b>255,792.38</b>	<b>247,463.37</b>	<b>8,329.01</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures (Cont'd):					
Improvement of Instruction Services/Other Support					
Services - Instructional Staff:					
Salaries of Secretary and Clerical Assistants	\$ 28,079.00	\$ 2,887.65	\$ 30,966.65	\$ 30,246.65	\$ 720.00
Other Salaries	65,663.00	(3,017.09)	62,645.91	62,645.91	
Purchased Professional - Educational Services		850.00	850.00	100.00	750.00
Other Purchased Services	6,500.00	(2,908.00)	3,592.00	3,591.33	0.67
Supplies and Materials	1,750.00	(1,256.00)	494.00	483.33	10.67
Other Objects	3,820.00	(2,095.00)	1,725.00	1,725.00	
<b>Total Improvement of Instruction Services/Other: Support Services - Instructional Staff</b>	<b>105,812.00</b>	<b>(5,538.44)</b>	<b>100,273.56</b>	<b>98,792.22</b>	<b>1,481.34</b>
Educational Media Services/School Library:					
Salaries	162,378.00	(968.00)	161,410.00	158,747.30	2,662.70
Salaries of Technology Coordinators	97,359.00	754.00	98,113.00	94,293.84	3,819.16
Purchased Professional and Technical Services	1,000.00	(1,000.00)			
Other Purchased Services	5,000.00	1,769.00	6,769.00	6,767.70	1.30
Supplies and Materials	8,000.00	(2,385.00)	5,615.00	5,614.67	0.33
Other Objects		470.00	470.00	470.00	
<b>Total Educational Media Services/School Library</b>	<b>273,737.00</b>	<b>(1,360.00)</b>	<b>272,377.00</b>	<b>265,893.51</b>	<b>6,483.49</b>
Instructional Staff Training Services:					
Purchased Professional- Educational Services	3,000.00	(1,300.00)	1,700.00	1,679.00	21.00
Other Purchased Services	1,000.00		1,000.00		1,000.00
<b>Total Instructional Staff Training Services</b>	<b>4,000.00</b>	<b>(1,300.00)</b>	<b>2,700.00</b>	<b>1,679.00</b>	<b>1,021.00</b>
Support Services General Administration:					
Salaries	192,495.00	(3,026.53)	189,468.47	186,989.64	2,478.83
Legal Services	45,000.00	27,036.04	72,036.04	71,623.50	412.54
Audit Fees	27,000.00		4,300.00	31,300.00	
Architectural / Engineering Services	11,890.00	(7,285.00)	4,605.00	3,015.00	1,590.00
Other Purchased Professional Services	26,050.00	(2,365.00)	23,685.00	23,685.00	
Communications/Telephone	19,750.00	(8,273.00)	11,477.00	11,367.13	109.87
Travel		1,000.00	1,000.00	233.02	766.98
BOE Other Purchased Services	3,400.00	(977.00)	2,423.00	2,401.47	21.53
Miscellaneous Purchased Services	8,822.22	(1,615.00)	7,207.22	6,265.24	941.98
General Supplies	1,000.00	1,350.00	2,350.00	2,152.48	197.52
BOE In-House Training/Meeting Supplies	200.00		200.00		200.00
Miscellaneous Expenditures	3,850.00	15,636.00	19,486.00	19,458.36	27.64
BOE Membership Dues and Fees	6,900.00		6,900.00	6,613.52	286.48
<b>Total Support Services General Administration</b>	<b>346,357.22</b>	<b>25,780.51</b>	<b>372,137.73</b>	<b>365,104.36</b>	<b>7,033.37</b>

(Continued)



**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
<b>GENERAL CURRENT EXPENSE (CONT'D):</b>					
Undistributed Expenditures (Cont'd):					
Support Services School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	\$ 179,872.00	\$ (38,582.50)	\$ 141,289.50	\$ 140,631.04	\$ 658.46
Salaries of Other Professionals Staff	26,505.00	(507.48)	25,997.52	20,938.54	5,058.98
Salaries of Secretarial and Clerical Assistants	38,278.00	1,401.82	39,679.82	31,496.02	8,183.80
Purchased Professional and Technical Services	1,000.00	(1,000.00)			
Other Purchased Services	2,000.00	(1,500.00)	500.00		500.00
Supplies and Materials	5,039.55	9,161.03	14,200.58	9,358.92	4,841.66
Other Objects	3,655.88	5,417.13	9,073.01	8,378.01	695.00
<b>Total Support Services School Administration</b>	<b>256,350.43</b>	<b>(25,610.00)</b>	<b>230,740.43</b>	<b>210,802.53</b>	<b>19,937.90</b>
Central Services:					
Salaries	222,464.00	(17,200.00)	205,264.00	202,452.62	2,811.38
Purchased Technical Services	40,000.00	8,350.00	48,350.00	47,471.21	878.79
Travel for Regular Business		650.00	650.00	547.44	102.56
Miscellaneous Purchased Services	500.00	(500.00)			
Supplies and Materials	2,000.00	300.00	2,300.00	2,229.65	70.35
Miscellaneous Expenditures	2,000.00	3,896.00	5,896.00	5,698.22	197.78
<b>Total Central Services</b>	<b>266,964.00</b>	<b>(4,504.00)</b>	<b>262,460.00</b>	<b>258,399.14</b>	<b>4,060.86</b>
Administration of Information Technology:					
Other Purchased Services	500.00	(302.00)	198.00		198.00
Supplies and Materials	500.00	1302.00	1,802.00	1,379.75	422.25
<b>Total Administration of Information Technology</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>2,000.00</b>	<b>1,379.75</b>	<b>620.25</b>
Required Maintenance for School Facilities:					
Salaries	180,934.00	(1,077.00)	179,857.00	174,348.20	5,508.80
Unused Vacation Payment to Terminated/Retired Staff	3,500.00	(2,065.00)	1,435.00		1,435.00
Cleaning, Repair & Maintenance Services	235,831.00	(72,692.29)	163,138.71	103,101.81	60,036.90
General Supplies	60,691.70	(23,972.00)	36,719.70	33,715.86	3,003.84
<b>Total - Required Maintenance for School Facilities</b>	<b>480,956.70</b>	<b>(99,806.29)</b>	<b>381,150.41</b>	<b>311,165.87</b>	<b>69,984.54</b>
Custodial Services:					
Salaries	361,080.00	(97,336.00)	263,744.00	250,999.84	12,744.16
Purchased Professional and Technical Services	39,000.00	(7,500.00)	31,500.00	17,948.63	13,551.37
Cleaning, Repair, and Maintenance Services	5,500.00		5,500.00	266.35	5,233.65
Other Purchased Property Services	5,025.00		5,025.00	1,490.50	3,534.50
Insurance	77,800.00		77,800.00	77,800.00	
Miscellaneous Purchased Services	1,025.00		1,025.00	525.00	500.00
General Supplies	40,700.00	(17,471.00)	23,229.00	6,937.31	16,291.69
Energy (Natural Gas)	150,000.00	(6,000.00)	144,000.00	143,842.86	157.14
Energy (Electricity)	220,000.00		220,000.00	217,624.21	2,375.79
<b>Total - Custodial Services</b>	<b>900,130.00</b>	<b>(128,307.00)</b>	<b>771,823.00</b>	<b>717,434.70</b>	<b>54,388.30</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Care and Upkeep of Grounds					
Purchased Professional and Technical Service	\$ 21,106.24	\$ 1,000.00	\$ 22,106.24	\$ 19,585.18	\$ 2,521.06
Cleaning, Repair, and Maintenance Services	3,000.00	9,000.00	12,000.00	132.49	11,867.51
General Supply	14,025.00	(8,813.00)	5,212.00	5,130.48	81.52
	<u>38,131.24</u>	<u>1,187.00</u>	<u>39,318.24</u>	<u>24,848.15</u>	<u>14,470.09</u>
Total - Care and Upkeep of Grounds					
Security:					
Salaries	27,171.00	(610.00)	26,561.00	25,363.10	1,197.90
Purchased Professional and Technical Service		43,348.00	43,348.00	43,348.00	
General Supplies	500.00	(100.00)	400.00		400.00
	<u>27,671.00</u>	<u>42,638.00</u>	<u>70,309.00</u>	<u>68,711.10</u>	<u>1,597.90</u>
Total Security					
Total - Operation and Maintenance of Plant Services					
	<u>1,446,888.94</u>	<u>(184,288.29)</u>	<u>1,262,600.65</u>	<u>1,122,159.82</u>	<u>140,440.83</u>
Student Transportation Services:					
Salaries of Non- Instructional Aides		766.00	766.00	680.42	85.58
Salaries for Pupil Transportation (Between Home & School) - Regular	329,523.00	31,932.00	361,455.00	349,698.45	11,756.55
Salaries for Pupil Transportation (Between Home & School) - Special	8,000.00	18,139.00	26,139.00	24,761.62	1,377.38
Salaries for Pupil Transportation (Other than Between Home & School)	5,000.00	(5,000.00)			
Other Purchased Professional and Technical Services	6,350.00	(160.00)	6,190.00	6,160.75	29.25
Cleaning, Repair, and Maintenance Services	25,000.00	1,860.00	26,860.00	26,859.92	0.08
A/L for Non-Public	30,000.00	10,880.00	40,880.00	40,880.00	
Contracted Services (Other than Between Home & School) - Vendor	600.00	(600.00)			
Contract Services (Special Ed.)	30,000.00	20,000.00	50,000.00	49,995.60	4.40
General Supplies	250.00	(250.00)			
Transportation Supplies	64,324.00	65,261.00	129,585.00	129,248.10	336.90
Other Objects	1,360.00	326.00	1,686.00	1,677.00	9.00
	<u>500,407.00</u>	<u>143,154.00</u>	<u>643,561.00</u>	<u>629,961.86</u>	<u>13,599.14</u>
Total Student Transportation Services					

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures (Cont'd):					
Unallocated Benefits - Employee Benefits:					
Group Insurance		\$ 5,000.00	\$ 5,000.00	\$ 2,151.30	\$ 2,848.70
Social Security Contributions	\$ 170,000.00	3,100.00	173,100.00	172,300.26	799.74
Other Retirement Contributions - PERS	222,027.00	12,381.00	234,408.00	234,408.00	
Other Retirement Contributions - Regular	5,200.00	1,100.00	6,300.00	6,146.09	153.91
Workmen's Compensation	110,500.00		110,500.00	110,500.00	
Health Benefits	2,520,743.00	(11,603.50)	2,509,139.50	2,500,542.59	8,596.91
Tuition Reimbursement	59,500.00	(43,585.00)	15,915.00	15,915.00	
Other Employee Benefits	175,950.00	(18,070.00)	157,880.00	157,811.91	68.09
Unused Sick Payment to Terminated/Retired Staff	40,000.00	(2,500.00)	37,500.00	37,478.16	21.84
<b>Total unallocated Benefits - Employee Benefits</b>	<b>3,303,920.00</b>	<b>(54,177.50)</b>	<b>3,249,742.50</b>	<b>3,237,253.31</b>	<b>12,489.19</b>
TPAF Contributions:					
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				380,561.24	(380,561.24)
On-behalf TPAF Medical Contributions (non-budgeted)				479,150.00	(479,150.00)
On-behalf TPAF Pension Contributions (non-budgeted)				1,799,001.00	(1,799,001.00)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				24,959.00	(24,959.00)
On-behalf TPAF Long-Term Disability Insurance (non-budgeted)				712.00	(712.00)
<b>Total TPAF Contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,684,383.24</b>	<b>(2,684,383.24)</b>
<b>Total Undistributed Expenses</b>	<b>7,534,465.73</b>	<b>(41,930.55)</b>	<b>7,492,535.18</b>	<b>9,935,186.79</b>	<b>(2,442,651.61)</b>
Interest Earned on Maintenance Reserve	1,000.00	-	1,000.00	-	1,000.00
<b>Total Expenditures - Current Expense</b>	<b>12,919,074.10</b>	<b>-</b>	<b>12,919,074.10</b>	<b>15,222,779.53</b>	<b>(2,303,705.43)</b>
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	5,500.00	-	5,500.00	-	5,500.00
Equipment:					
School Buses - Regular	101,365.00	-	101,365.00	101,364.60	0.40
<b>Total - Equipment</b>	<b>101,365.00</b>	<b>-</b>	<b>101,365.00</b>	<b>101,364.60</b>	<b>0.40</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>CAPITAL OUTLAY (CONT'D):</b>					
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	\$ 430,000.00	\$ 134,200.00	\$ 564,200.00		\$ 564,200.00
Legal Services	10,000.00	(6,000.00)	4,000.00		4,000.00
Other Purchased Prof. and Tech. Services	116,500.00	(108,800.00)	7,700.00		7,700.00
Construction Services	40,000.00	(11,000.00)	29,000.00		29,000.00
Supplies and Materials	603,899.00	(92,461.00)	511,438.00		511,438.00
Lease Purchase Agreements - Principal		92,461.00	92,461.00	\$ 92,460.29	0.71
Other Objects	50,000.00	(8,400.00)	41,600.00		41,600.00
Assessment for Debt Service on SDA Funding	49,076.00		49,076.00	49,076.00	
<b>Total - Facilities Acquisition and Construction Services:</b>	<u>1,299,475.00</u>	<u>-</u>	<u>1,299,475.00</u>	<u>141,536.29</u>	<u>1,157,938.71</u>
Total Capital Outlay	<u>1,406,340.00</u>	<u>-</u>	<u>1,406,340.00</u>	<u>242,900.89</u>	<u>1,163,439.11</u>
Total Expenditures	<u>14,325,414.10</u>	<u>-</u>	<u>14,325,414.10</u>	<u>15,465,680.42</u>	<u>(1,140,266.32)</u>
<b>Calculation of Deficiency of Revenues Under Expenditures:</b>					
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,445,102.10)</u>	<u>-</u>	<u>(2,445,102.10)</u>	<u>(295,902.10)</u>	<u>(2,149,200.00)</u>
Other Financing Sources (Uses):					
Capital Reserve - Transfer to Capital Projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,157,938.00)</u>	<u>1,157,938.00</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(2,445,102.10)</u>	<u>-</u>	<u>(2,445,102.10)</u>	<u>(1,453,840.10)</u>	<u>991,262.00</u>
Fund Balances, July 1	<u>3,495,368.57</u>	<u>-</u>	<u>3,405,368.57</u>	<u>5,264,700.72</u>	<u>(1,859,332.15)</u>
Fund Balances, June 30	<u>\$ 1,050,266.47</u>	<u>-</u>	<u>\$ 960,266.47</u>	<u>\$ 3,810,860.62</u>	<u>\$ (868,070.15)</u>
<b>Recapitulation:</b>					
Restricted Fund Balance:					
Excess Surplus				\$ 456,519.68	
Excess Surplus -- Designated for Subsequent Year's Expenditures				653,956.66	
Capital Reserve				763,396.56	
Capital Reserve -- Designated for Subsequent Year's Expenditures				450,000.00	
Maintenance Reserve				527,027.01	
Maintenance Reserve -- Designated for Subsequent Year's Expenditures				90,000.00	
Unemployment Compensation				34,105.85	
Assigned Fund Balance:					
Other Purposes -- Encumbrances				311,849.16	
Designated for Subsequent Year's Expenditures				232,741.00	
Unassigned Fund Balance				<u>291,264.70</u>	
				3,810,860.62	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment Not Recognized on GAAP Basis				<u>(289,347.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 3,521,513.62</u>	

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part II  
 Special Revenue Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
HSA Supplies		\$ 8,920.50	\$ 8,920.50		\$ (8,920.50)
Education Foundation	\$ 10,629.00	(1,930.51)	8,698.49	\$ 6,189.00	(2,509.49)
Oracle Mosser STEM		1,882.00	1,882.00	1,680.95	(201.05)
Scholarships	500.00		500.00	229.16	(270.84)
Student Activities	15,000.00	75,000.00	90,000.00	86,380.96	(3,619.04)
<b>Total - Local Sources</b>	<b>26,129.00</b>	<b>83,871.99</b>	<b>110,000.99</b>	<b>94,480.07</b>	<b>(15,520.92)</b>
State Sources:					
SDA Emergent Needs Grant		15,120.00	15,120.00	15,120.00	
SSB-VEEVR HVAC	5,000,000.00	(1,546,329.37)	3,453,670.63	1,638,643.50	(1,815,027.13)
Climate Control		6,660.00	6,660.00	6,660.00	
<b>Total - State Sources</b>		<b>(1,524,549.37)</b>	<b>3,475,450.63</b>	<b>1,660,423.50</b>	<b>(1,815,027.13)</b>
Federal Sources:					
Title I, Part A	38,470.00	(30.00)	38,440.00	38,440.00	
Title II, Part A	9,236.00	1,822.00	11,058.00	11,058.00	
Title III	1,020.00	(1,020.00)			
Title IV	8,500.00	1,500.00	10,000.00	10,000.00	
I.D.E.A., Part B, Basic	154,848.00	22,796.00	177,644.00	177,643.41	(0.59)
I.D.E.A., Part B, Preschool		8,800.00	8,800.00	8,800.00	
CRSSA - ESSER II	32,528.00	10.00	32,538.00	32,538.00	
CRSSA - Learning Acceleration	15,292.00	(4,307.00)	10,985.00	10,985.00	
CRSSA - Mental Health	14,791.00	(3,997.00)	10,794.00	10,794.00	
ARP - ESSER III	358,335.00	(86,135.63)	272,199.37	127,886.95	(144,312.42)
ARP - Accelerated Learning Coach and Educator Support	55,232.00		55,232.00	29,385.50	(25,846.50)
ARP - Evidence Based Summer Learning and Enrichment	40,000.00		40,000.00	14,364.80	(25,635.20)
ARP - Evidence Based Comprehensive Beyond the School Day	40,000.00		40,000.00	10,118.70	(29,881.30)
ARP - NJTSS Mental Health	45,000.00		45,000.00	26,706.33	(18,293.67)
<b>Total - Federal Sources</b>	<b>813,252.00</b>	<b>(60,561.63)</b>	<b>752,690.37</b>	<b>508,720.69</b>	<b>(243,969.68)</b>
<b>Total Revenues</b>	<b>5,839,381.00</b>	<b>(1,501,239.01)</b>	<b>4,338,141.99</b>	<b>2,263,624.26</b>	<b>(2,074,517.73)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	217,372.23	(40,311.44)	177,060.79	92,463.42	84,597.37
Purchased Professional - Educational Services	9,860.56	30,100.44	39,961.00	22,516.00	17,445.00
Other Purchased Services	133,599.34	30,258.66	163,858.00	161,347.41	2,510.59
General Supplies	5,227,326.72	(5,024,206.15)	203,120.57	195,790.81	7,329.76
Other Objects	1.00		1.00	1.00	
<b>Total Instruction</b>	<b>5,588,159.85</b>	<b>(5,004,158.49)</b>	<b>584,001.36</b>	<b>472,118.64</b>	<b>111,882.72</b>
Support Services:					
Salaries of Other Professional Staff	131,338.90	(31,570.90)	99,768.00		99,768.00
Personal Services - Employee Benefits	61,341.95	(11,391.95)	49,950.00	6,000.00	43,950.00
Purchased Professional - Educational Services	19,735.91	1,090.09	20,826.00	20,826.00	
Supplies and Materials	23,304.39	16,121.61	39,426.00	39,426.00	
Scholarship Awarded	500.00		500.00	500.00	
Student Activities	15,000.00	75,000.00	90,000.00	77,991.94	12,008.06
<b>Total Support Services</b>	<b>251,221.15</b>	<b>49,248.85</b>	<b>300,470.00</b>	<b>144,743.94</b>	<b>155,726.06</b>
Facilities Acquisition and Construction Services:					
Construction Services		3,453,670.63	3,453,670.63	1,638,643.50	1,815,027.13
<b>Total Facilities Acquisition and Construction Services</b>	<b>-</b>	<b>3,453,670.63</b>	<b>3,453,670.63</b>	<b>1,638,643.50</b>	<b>1,815,027.13</b>
<b>Total Expenditures</b>	<b>5,839,381.00</b>	<b>(1,501,239.01)</b>	<b>4,338,141.99</b>	<b>2,255,506.08</b>	<b>2,082,635.91</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,118.18</b>	<b>\$ 8,118.18</b>
Fund Balance, July 1				79,742.18	
Fund Balance, June 30				<u>\$ 87,860.36</u>	
<b>Recapitulation:</b>					
Restricted:					
Scholarships				\$ 8,101.69	
Student Activities				79,758.67	
				<u>\$ 87,860.36</u>	

## TOWNSHIP OF TABERNACLE SCHOOL DISTRICT

Required Supplementary Information - Part II

Budget-to-GAAP Reconciliation

For the Fiscal Year Ended June 30, 2023

---

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 15,169,778.32	\$ 2,263,624.26
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		112,003.13
Current Year		(22,710.15)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2022.	346,359.00	
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33) received July 2023.	<u>(289,347.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 15,226,790.32</u>	<u>\$ 2,352,917.24</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 15,465,680.42	\$ 2,255,506.08
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is 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		112,003.13
Current Year		<u>(22,710.15)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 15,465,680.42</u>	<u>\$ 2,344,799.06</u>

REQUIRED SUPPLEMENTARY INFORMATION  
PART III

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part III  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System (PERS)  
 Last Ten Plan Years

	<u>Measurement Date Ending June 30,</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.0185883484%	0.0181496077%	0.0213827957%	0.0213836576%	0.0223105609%
School District's Proportionate Share of the Net Pension Liability	\$ 2,805,238.00	\$ 2,150,093.00	\$ 3,486,975.00	\$ 3,853,011.00	\$ 4,392,838.00
School District's Covered Payroll (Plan Measurement Period)	\$ 1,427,808.00	\$ 1,408,168.00	\$ 1,630,700.00	\$ 1,593,896.00	\$ 1,555,324.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	196.47%	152.69%	213.83%	241.74%	282.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.91%	70.33%	58.32%	56.27%	53.60%
	<u>Measurement Date Ending June 30,</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0192060995%	0.0196882949%	0.0199201657%	0.0207264664%	0.0230472074%
School District's Proportionate Share of the Net Pension Liability	\$ 4,470,873.00	\$ 5,831,108.00	\$ 4,471,678.00	\$ 3,880,561.00	\$ 4,404,779.00
School District's Covered Payroll (Plan Measurement Period)	\$ 1,523,964.00	\$ 1,406,200.00	\$ 1,528,200.00	\$ 1,502,512.00	\$ 1,589,872.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	293.37%	414.67%	292.61%	258.27%	277.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.10%	40.14%	47.93%	52.08%	48.72%



**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part III  
 Schedule of the School District's Contributions  
 Public Employees' Retirement System (PERS)  
 Last Ten Fiscal Years

	<b>Fiscal Year Ended June 30,</b>				
	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
Contractually Required Contribution	\$ 245,500.00	\$ 234,408.00	\$ 212,553.00	\$ 233,917.00	\$ 208,001.00
Contributions in Relation to the Contractually Required Contribution	<u>(245,500.00)</u>	<u>(234,408.00)</u>	<u>(212,553.00)</u>	<u>(233,917.00)</u>	<u>(208,001.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 1,344,301.00	\$ 1,330,228.00	\$ 1,305,950.00	\$ 1,405,532.00	\$ 1,554,986.00
Contributions as a Percentage of School District's Covered Payroll	18.26%	17.62%	16.28%	16.64%	13.38%

	<b>Fiscal Year Ended June 30,</b>				
	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Contractually Required Contribution	\$ 221,918.00	\$ 177,924.00	\$ 174,908.00	\$ 171,260.00	\$ 170,866.00
Contributions in Relation to the Contractually Required Contribution	<u>(221,918.00)</u>	<u>(177,924.00)</u>	<u>(174,908.00)</u>	<u>(171,260.00)</u>	<u>(170,866.00)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District's Covered Payroll (Fiscal Year)	\$ 1,504,355.00	\$ 1,376,373.00	\$ 1,408,876.00	\$ 1,340,477.00	\$ 1,387,013.00
Contributions as a Percentage of School District's Covered Payroll	14.75%	12.93%	12.41%	12.78%	12.32%

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part III  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Teachers' Pension and Annuity Fund (TPAF)  
 Last Ten Plan Years

	<b>Measurement Date Ending June 30,</b>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	100.00%	100.00%	100.00%	100.00%	100.00%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	-	-	-	-	-
State's Proportionate Share of the School District's Net Pension Liability	\$ 24,731,169.00	\$ 25,290,752.00	\$ 35,854,118.00	\$ 33,382,148.00	\$ 31,635,918.00
	<u>\$ 24,731,169.00</u>	<u>\$ 25,290,752.00</u>	<u>\$ 35,854,118.00</u>	<u>\$ 33,382,148.00</u>	<u>\$ 31,635,918.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 6,063,712.00	\$ 6,280,696.00	\$ 6,891,420.00	\$ 6,916,536.00	\$ 6,626,828.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	407.86%	402.67%	520.27%	482.64%	477.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	35.52%	24.60%	26.95%	26.49%
	<b>Measurement Date Ending June 30,</b>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	100.00%	100.00%	100.00%	100.00%	100.00%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	-	-	-	-	-
State's Proportionate Share of the School District's Net Pension Liability	\$ 38,081,754.00	\$ 45,035,825.00	\$ 33,371,372.00	\$ 29,985,708.00	\$ 28,836,785.00
	<u>\$ 38,081,754.00</u>	<u>\$ 45,035,825.00</u>	<u>\$ 33,371,372.00</u>	<u>\$ 29,985,708.00</u>	<u>\$ 28,836,785.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 6,253,872.00	\$ 6,750,468.00	\$ 6,774,808.00	\$ 6,160,916.00	\$ 6,590,036.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	608.93%	667.15%	492.58%	486.71%	437.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	25.41%	22.33%	28.71%	33.64%	33.76%

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Required Supplementary Information - Part III  
Schedule of the School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last Ten Fiscal Years

---

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part III  
 Notes to Required Supplementary Information - Part III  
 For the Fiscal Year Ended June 30, 2023

---

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

***Changes in Benefit Terms:***

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	4.25%
2021	7.00%	2016	3.22%
2020	5.40%	2015	4.13%
2019	5.60%	2014	4.68%
2018	4.86%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

**Public Employees' Retirement System (PERS)**

***Changes in Benefit Terms:***

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

The June 30, 2022 measurement date included three changes to the plan provisions, only one of which had an impact on the Total Pension Liability (TPL). Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for all prosecutors.

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part III  
 Notes to Required Supplementary Information - Part III (Cont'd)  
 For the Fiscal Year Ended June 30, 2023

---

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

***Changes in Assumptions:***

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%
2018	5.66%		

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%
2018	7.00%		

For 2022, demographic assumptions were updated to reflect the most recent experience study for the period July 1, 2018 to June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION  
PART IV

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Required Supplementary Information - Part IV  
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios  
 Last Six Plan Years

<b>Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District</b>	<b>Measurement Date Ending June 30,</b>		
	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Changes for the Year:			
Service Cost	\$ 1,414,374.00	\$ 1,842,506.00	\$ 1,046,263.00
Interest Cost	1,014,620.00	1,165,227.00	1,221,579.00
Changes in Benefit Terms		(47,810.00)	
Difference Between Expected and Actual Experience	2,182,026.00	(11,193,395.00)	8,468,228.00
Changes in Assumptions	(10,270,553.00)	44,315.00	9,863,124.00
Member Contributions	32,241.00	29,789.00	28,492.00
Gross Benefit Payments	(1,005,011.00)	(917,873.00)	(940,017.00)
Net Change in Total Non-Employer OPEB Liability	(6,632,303.00)	(9,077,241.00)	19,687,669.00
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	44,918,267.00	53,995,508.00	34,307,839.00
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 38,285,964.00</u>	<u>\$ 44,918,267.00</u>	<u>\$ 53,995,508.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 6,487,068.00</u>	<u>\$ 6,338,212.00</u>	<u>\$ 6,747,195.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	590.19%	708.69%	800.27%
<b>Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District</b>	<b>Measurement Date Ended June 30,</b>		
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
Changes for the Year:			
Service Cost	\$ 991,481.00	\$ 1,049,536.00	\$ 1,264,711.00
Interest Cost	1,533,705.00	1,663,740.00	1,445,751.00
Difference between Expected and Actual Experience	(6,852,206.00)	(3,989,841.00)	
Changes in Assumptions	511,533.00	(4,492,114.00)	(5,733,501.00)
Member Contributions	31,218.00	36,177.00	39,168.00
Gross Benefit Payments	(1,053,148.00)	(1,046,730.00)	(1,063,709.00)
Net Change in Total Non-Employer OPEB Liability	(4,837,417.00)	(6,779,232.00)	(4,047,580.00)
Total Non-Employer OPEB Liability - July 1	39,145,256.00	45,924,488.00	49,972,068.00
Total Non-Employer OPEB Liability - June 30	<u>\$ 34,307,839.00</u>	<u>\$ 39,145,256.00</u>	<u>\$ 45,924,488.00</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 7,438,617.00</u>	<u>\$ 7,278,533.00</u>	<u>\$ 6,845,748.00</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	461.21%	537.82%	670.85%

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part IV  
For the Fiscal Year Ended June 30, 2023

---

**Changes in Benefit Terms:**

None.

**Changes in Assumptions:**

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2022	3.54%	2019	3.50%
2021	2.16%	2018	3.87%
2020	2.21%	2017	3.58%

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included update in trend and experience study.

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



OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Special Revenue Fund  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2023

	Every Student Succeeds Act (E.S.S.A)				I.D.E.A.			Brought Forward
	Total	Title I - Part A	Title II - Part A	Title IV	Part B Basic	Preschool	CRRSA ESSER II	
<b>REVENUES:</b>								
Federal Sources	\$ 508,720.69	\$ 38,440.00	\$ 11,058.00	\$ 10,000.00	\$ 177,643.41	\$ 8,800.00	\$ 32,538.00	\$ 230,241.28
State Sources	1,660,423.50							1,660,423.50
Local Sources	94,480.07							94,480.07
<b>Total Revenues</b>	<b>2,263,624.26</b>	<b>38,440.00</b>	<b>11,058.00</b>	<b>10,000.00</b>	<b>177,643.41</b>	<b>8,800.00</b>	<b>32,538.00</b>	<b>1,985,144.85</b>
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers	92,463.42		6,922.00			8,800.00		76,741.42
Purchased Professional/Technical Services	22,516.00							22,516.00
Other Purchased Services	161,347.41				159,272.41			2,075.00
Supplies and Materials	195,790.81	27,991.00		9,758.00	12,371.00		19,026.00	126,644.81
Other Objects	1.00	1.00						
<b>Total Instruction</b>	<b>472,118.64</b>	<b>27,992.00</b>	<b>6,922.00</b>	<b>9,758.00</b>	<b>171,643.41</b>	<b>8,800.00</b>	<b>19,026.00</b>	<b>227,977.23</b>
<b>Support Services:</b>								
Personal Services - Employee Benefits	6,000.00							6,000.00
Purchased Professional/Technical Services	20,826.00	10,448.00	4,136.00	242.00	6,000.00			
Supplies and Materials	39,426.00						13,512.00	25,914.00
Scholarships Awarded	77,991.94							77,991.94
Student Activities	500.00							500.00
<b>Total Support Services</b>	<b>144,743.94</b>	<b>10,448.00</b>	<b>4,136.00</b>	<b>242.00</b>	<b>6,000.00</b>	<b>-</b>	<b>13,512.00</b>	<b>110,405.94</b>
<b>Facilities Acquisition and Construction Services:</b>								
Construction Services	1,638,643.50	-	-	-	-	-	-	1,638,643.50
<b>Total Expenditures</b>	<b>2,255,506.08</b>	<b>38,440.00</b>	<b>11,058.00</b>	<b>10,000.00</b>	<b>177,643.41</b>	<b>8,800.00</b>	<b>32,538.00</b>	<b>1,977,026.67</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,118.18	-	-	-	-	-	-	8,118.18
Fund Balance, July 1	79,742.18	-	-	-	-	-	-	79,742.18
Fund Balance, June 30	<b>\$ 87,860.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 87,860.36</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2023

	Carried <u>Forward</u>	CRRSA Learning <u>Acceleration</u>	CRRSA Mental <u>Health</u>	ARP <u>ESSER</u>	ARP ESSER Learning <u>Acceleration</u>	ARP ESSER Evidence <u>Based</u>	ARP ESSER Beyond the <u>School Day</u>	Total Brought <u>Forward</u>
<b>REVENUES:</b>								
Federal Sources	\$ 230,241.28	\$ 10,985.00	\$ 10,794.00	\$ 127,886.95	\$ 29,385.50	\$ 14,364.80	\$ 10,118.70	\$ 26,706.33
State Sources	1,660,423.50							1,660,423.50
Local Sources	94,480.07							94,480.07
<b>Total Revenues</b>	<b>1,985,144.85</b>	<b>10,985.00</b>	<b>10,794.00</b>	<b>127,886.95</b>	<b>29,385.50</b>	<b>14,364.80</b>	<b>10,118.70</b>	<b>1,781,609.90</b>
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers	76,741.42	3,033.79		15,689.30	6,828.50	14,364.80	10,118.70	26,706.33
Purchased Professional/Technical Services	22,516.00				22,516.00			
Other Purchased Services	2,075.00							2,075.00
Supplies and Materials	126,644.81	7,951.21		106,197.65	41.00			12,454.95
Other Objects	-							
<b>Total Instruction</b>	<b>227,977.23</b>	<b>10,985.00</b>	<b>-</b>	<b>121,886.95</b>	<b>29,385.50</b>	<b>14,364.80</b>	<b>10,118.70</b>	<b>41,236.28</b>
<b>Support Services:</b>								
Personal Services - Employee Benefits	6,000.00			6,000.00				
Purchased Professional/Technical Services								
Supplies and Materials	25,914.00		10,794.00					15,120.00
Scholarships Awarded	77,991.94							77,991.94
Student Activities	500.00							500.00
<b>Total Support Services</b>	<b>110,405.94</b>	<b>-</b>	<b>10,794.00</b>	<b>6,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93,611.94</b>
<b>Facilities Acquisition and Construction Services:</b>								
Construction Services	1,638,643.50	-	-	-	-	-	-	1,638,643.50
<b>Total Expenditures</b>	<b>1,977,026.67</b>	<b>10,985.00</b>	<b>10,794.00</b>	<b>127,886.95</b>	<b>29,385.50</b>	<b>14,364.80</b>	<b>10,118.70</b>	<b>1,773,491.72</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,118.18	-	-	-	-	-	-	8,118.18
Fund Balance, July 1	79,742.18	-	-	-	-	-	-	79,742.18
Fund Balance, June 30	<b>\$ 87,860.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 87,860.36</b>

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Special Revenue Fund  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2023

	Carried <u>Forward</u>	ARP ESSER NJTSS <u>Mental Health</u>	SDA Emergent Needs Grant	SSB VEEVR HVAC	Climate Control	Education Foundation	Oracle Mosser	Scholarship Fund	Student Activity Fund
<b>REVENUES:</b>									
Federal Sources	\$ 26,706.33	\$ 26,706.33							
State Sources	1,660,423.50		\$ 15,120.00	\$ 1,638,643.50	\$ 6,660.00				
Local Sources	94,480.07					\$ 6,189.00	\$ 1,680.95	\$ 229.16	\$ 86,380.96
<b>Total Revenues</b>	<u>1,781,609.90</u>	<u>26,706.33</u>	<u>15,120.00</u>	<u>1,638,643.50</u>	<u>6,660.00</u>	<u>6,189.00</u>	<u>1,680.95</u>	<u>229.16</u>	<u>86,380.96</u>
<b>EXPENDITURES:</b>									
Instruction:									
Salaries of Teachers	26,706.33	26,706.33							
Purchased Professional/Technical Services									
Other Purchased Services	2,075.00				2,075.00				
Supplies and Materials	12,454.95				4,585.00	6,189.00	1,680.95		
Other Objects									
<b>Total Instruction</b>	<u>41,236.28</u>	<u>26,706.33</u>	<u>-</u>	<u>-</u>	<u>6,660.00</u>	<u>6,189.00</u>	<u>1,680.95</u>	<u>-</u>	<u>-</u>
Support Services:									
Personal Services - Employee Benefits									
Purchased Professional/Technical Services									
Supplies and Materials	15,120.00		15,120.00						
Scholarships Awarded	77,991.94								77,991.94
Student Activities	500.00							500.00	
<b>Total Support Services</b>	<u>93,611.94</u>	<u>-</u>	<u>15,120.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>500.00</u>	<u>77,991.94</u>
Facilities Acquisition and Construction Services:									
Construction Services	1,638,643.50	-	-	1,638,643.50	-	-	-	-	-
<b>Total Expenditures</b>	<u>1,773,491.72</u>	<u>26,706.33</u>	<u>15,120.00</u>	<u>1,638,643.50</u>	<u>6,660.00</u>	<u>6,189.00</u>	<u>1,680.95</u>	<u>500.00</u>	<u>77,991.94</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,118.18	-	-	-	-	-	-	(270.84)	8,389.02
Fund Balance, July 1	79,742.18	-	-	-	-	-	-	8,372.53	71,369.65
<b>Fund Balance, June 30</b>	<u>\$ 87,860.36</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 8,101.69</u>	<u>\$ 79,758.67</u>

CAPITAL PROJECTS FUND

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2023

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2023</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Securing our Schools Grant - School Security Systems Upgrade	7/1/2020	\$ 37,032.00	\$ 29,000.00	\$ 8,032.00	
OMS Improvements and Renovation	7/5/2022	6,119,370.00		440,015.00	\$ 5,679,355.00
TES Improvements and Renovation	7/5/2022	6,518,630.00		418,451.24	6,100,178.76
Removal and Replacement of Roof-Top HVAC Units	9/15/2022	1,157,938.00		568,608.17	589,329.83
Total		<u>\$ 13,832,970.00</u>	<u>\$ 29,000.00</u>	<u>\$ 1,435,106.41</u>	<u>\$ 12,368,863.59</u>

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Capital Projects Fund  
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2023

---

**Revenues and Other Financing Sources**

Bond Proceeds and Transfers	\$ 12,638,000.00
Transfer from Capital Reserve	<u>1,157,938.00</u>
 Total Revenues	 <u>13,795,938.00</u>

**Expenditures and Other Financing Uses**

Purchased Professional and Technical Services	\$ 1,431,326.41	
Construction Services	<u>3,780.00</u>	
 Total Expenditures		 <u>1,435,106.41</u>
 Total Expenditures and Other Financing Uses		 <u>1,435,106.41</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures	12,360,831.59
Fund Balance -- July 1	<u>8,032.00</u>
Fund Balance -- June 30	<u><u>\$ 12,368,863.59</u></u>

---

Note: For F-2 Exhibits, Grant awards are recognized as revenue and encumbrances are not included in expenditures.



**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 School Security Systems Upgrade  
 For the Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources:				
Securing Our Children's Future Bond Act	\$ 37,032.00	-	\$ 37,032.00	\$ 37,032.00
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	29,000.00	\$ 8,032.00	37,032.00	37,032.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 8,032.00	\$ (8,032.00)	-	-

**Additional Project Information:**

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 37,032.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 37,032.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	6/30/2022
Revised Target Completion Date	6/30/2023

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 OMS Improvements and Renovation  
 For the Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	-	\$ 6,119,370.00	\$ 6,119,370.00	\$ 6,119,370.00
Total Revenues	-	6,119,370.00	6,119,370.00	6,119,370.00
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	-	440,015.00	440,015.00	1,223,874.00
Construction Services	-	-	-	4,895,496.00
Total Expenditures	-	440,015.00	440,015.00	6,119,370.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	\$ 5,679,355.00	\$ 5,679,355.00	-
Designated for Subsequent Years Expenditures			<u>\$ 5,679,355.00</u>	

**Additional Project Information:**

Project Number	5130-040-22-1000
Grant Date	N/A
Bond Authorization Date	11/8/2022
Bonds Authorized	\$ 6,119,370.00
Bonds Issued	\$ 6,119,370.00
Original Authorized Cost	\$ 6,119,370.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 6,119,370.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	7%
Original Target Completion Date	6/30/2025
Revised Target Completion Date	N/A

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 TES Improvements and Renovations  
 For the Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds and Transfers	-	\$ 6,518,630.00	\$ 6,518,630.00	\$ 6,518,630.00
Total Revenues	-	6,518,630.00	6,518,630.00	6,518,630.00
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	-	414,671.24	414,671.24	1,303,630.00
Construction Services	-	3,780.00	3,780.00	5,215,000.00
Total Expenditures	-	418,451.24	418,451.24	6,518,630.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	\$ 6,100,178.76	\$ 6,100,178.76	-
Designated for Subsequent Years Expenditures			\$ 6,099,766.76	
Encumbrances			412.00	
			<u>\$ 6,100,178.76</u>	

**Additional Project Information:**

Project Number	5130-060-22-1000
Grant Date	N/A
Bond Authorization Date	11/8/2022
Bonds Authorized	\$ 6,518,630.00
Bonds Issued	\$ 6,518,630.00
Original Authorized Cost	\$ 6,518,630.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 6,518,630.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	6%
Original Target Completion Date	6/30/2025
Revised Target Completion Date	N/A

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 Removal and Replacement of Roof-Top HVAC Units  
 For the Inception and for the Fiscal Year Ended June 30, 2023

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	_____	\$ 1,157,938.00	\$ 1,157,938.00	\$ 1,157,938.00
Total Revenues	_____ -	_____ 1,157,938.00	_____ 1,157,938.00	_____ 1,157,938.00
<b>Expenditures and Other Financing Uses</b>				
Purchased Professional and Technical Services	_____	568,608.17	568,608.17	575,900.00
Construction Services	_____	_____	_____	29,000.00
Supplies and Materials	_____	_____	_____	511,438.00
Other Object	_____	_____	_____	41,600.00
Total Expenditures	_____ -	_____ 568,608.17	_____ 568,608.17	_____ 1,157,938.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	_____ -	_____ \$ 589,329.83	_____ \$ 589,329.83	_____ -
Designated for Subsequent Years Expenditures	_____	_____	_____ \$ 589,329.83	_____

**Additional Project Information:**

Project Number	5130-040/060-23-1000
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,157,938.00
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 1,157,938.00
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	49%
Original Target Completion Date	6/30/2024
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

## TOWNSHIP OF TABERNACLE SCHOOL DISTRICT

Proprietary Fund

Business Type Activities - Enterprise Fund

Statement of Net Position

June 30, 2023

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 74,377.40
Accounts Receivable:	
State	170.77
Federal	3,230.04
Other	2,606.03
Inventories	<u>8,026.12</u>
Total Current Assets	<u>88,410.36</u>
Noncurrent Assets:	
Capital Assets:	
Furniture, Fixtures and Equipment	207,235.90
Less Accumulated Depreciation	<u>(157,017.14)</u>
Total Noncurrent Assets	<u>50,218.76</u>
Total Assets	<u>138,629.12</u>
LIABILITIES:	
Current Liabilities:	
Unearned Revenue	<u>4,611.24</u>
Total Current Liabilities	<u>4,611.24</u>
NET POSITION:	
Net Investment in Capital Assets	50,218.76
Unrestricted	<u>83,799.12</u>
Total Net Position	<u>\$ 134,017.88</u>

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Proprietary Fund  
Business Type Activities - Enterprise Fund  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Reimbursable Programs:	
School Lunch Program	\$ 114,048.50
Daily Sales - Non-Reimbursable Programs	106,383.36
Special Functions	<u>379.87</u>
Total Operating Revenues	<u>220,811.73</u>
<b>OPERATING EXPENSES:</b>	
Salaries	139,299.00
Employee Benefits	22,232.48
General Supplies	9,630.96
Depreciation	7,452.28
Administrative Fee	31,704.80
Other Purchased Services	9,278.91
Cost of Sales - Reimbursable Programs	75,630.35
Cost of Sales - Non-Reimbursable Programs	<u>33,632.15</u>
Total Operating Expenses	<u>328,860.93</u>
Operating Income / (Loss)	<u>(108,049.20)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>	
State Sources:	
State School Lunch Program	2,848.71
Federal Sources:	
National School Lunch Program	55,101.84
Supply Chain Assistance	43,808.47
Food Distribution Program	24,276.48
Interest Revenue	<u>3,432.63</u>
Total Nonoperating Revenues (Expenses)	<u>129,468.13</u>
Change in Net Position	21,418.93
Net Position -- July 1	<u>112,598.95</u>
Net Position -- June 30	<u><u>\$ 134,017.88</u></u>

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Proprietary Fund  
Business Type Activities - Enterprise Fund  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2023

	<u>Food Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 219,746.81
Payments to Employees	(148,168.10)
Payments for Employee Benefits	(22,232.48)
Payments for Supplies and Services	<u>(171,319.99)</u>
Net Cash Provided by (used for) Operating Activities	<u>(121,973.76)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
State Sources	3,227.30
Federal Sources	143,827.75
Operating Subsidies and Transfers to Other Funds	<u>(32,507.71)</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>114,547.34</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Purchases of Capital Assets	<u>(34,471.40)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest Revenue	<u>3,432.63</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(38,465.19)
Cash and Cash Equivalents -- July 1	<u>112,842.59</u>
Cash and Cash Equivalents -- June 30	<u>\$ 74,377.40</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	\$ (108,049.20)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation	7,452.28
(Increase) Decrease in Accounts Receivable	(2,497.52)
(Increase) Decrease in Inventories	(1,436.86)
Increase (Decrease) in Accounts Payable	(18,875.06)
Increase (Decrease) in Unearned Revenue	<u>1,432.60</u>
Total Adjustments	<u>(13,924.56)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (121,973.76)</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>	
Food Distribution Program	<u>\$ 24,276.48</u>



LONG-TERM DEBT

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Schedule of Serial Bonds  
 For the Fiscal Year Ended June 30, 2023

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
			<u>Date</u>	<u>Amount</u>					
2013 Refunding Bond Issue	10/18/2013	\$ 6,250,000.00	9/1/2023	\$ 360,000.00	3.125%	\$ 1,070,000.00	\$ 360,000.00	\$ 710,000.00	
			9/1/2024	350,000.00	3.125%				
School Bonds, Series 2022	12/29/2022	12,638,000.00	8/15/2024	458,000.00	3.000%				
			8/15/2025	475,000.00	3.000%				
			8/15/2026	500,000.00	3.000%				
			8/15/2027	515,000.00	3.000%				
			8/15/2028	535,000.00	3.000%				
			8/15/2029	550,000.00	3.000%				
			8/15/2030	575,000.00	3.000%				
			8/15/2031	600,000.00	3.000%				
			8/15/2032	625,000.00	3.000%				
			8/15/2033	650,000.00	3.125%				
			8/15/2034	675,000.00	3.125%				
			8/15/2035	700,000.00	4.000%				
			8/15/2036	735,000.00	4.000%				
			8/15/2037	760,000.00	4.000%				
			8/15/2038	800,000.00	4.000%				
			8/15/2039	825,000.00	4.000%				
			8/15/2040	860,000.00	4.000%				
			8/15/2041	900,000.00	4.000%				
			8/15/2042	900,000.00	4.000%				
						\$ 12,638,000.00		12,638,000.00	
						\$ 1,070,000.00	\$ 12,638,000.00	\$ 360,000.00	\$ 13,348,000.00

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Debt Service Fund  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
Local Sources:					
Local Tax Levy	\$ 387,813.00	-	\$ 387,813.00	\$ 387,813.00	-
Total Revenues	<u>387,813.00</u>	<u>-</u>	<u>387,813.00</u>	<u>387,813.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	27,813.00	-	27,812.50	27,812.50	-
Redemption of Principal	<u>360,000.00</u>	<u>-</u>	<u>360,000.00</u>	<u>360,000.00</u>	<u>-</u>
Total Regular Debt Service	<u>387,813.00</u>	<u>-</u>	<u>387,812.50</u>	<u>387,812.50</u>	<u>-</u>
Total Expenditures	<u>387,813.00</u>	<u>-</u>	<u>387,812.50</u>	<u>387,812.50</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	0.50	0.50	-
Fund Balance (Deficit), July 1	<u>32,717.18</u>	<u>-</u>	<u>32,717.18</u>	<u>32,717.18</u>	<u>-</u>
Fund Balance (Deficit), June 30	<u>\$ 32,717.18</u>	<u>-</u>	<u>\$ 32,717.68</u>	<u>\$ 32,717.68</u>	<u>-</u>

STATISTICAL SECTION

## Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b><u>Governmental Activities:</u></b>										
Net Invested in Capital Assets	\$ 12,645,341.53	\$ 10,812,670.68	\$ 10,415,511.02	\$ 10,057,044.76	\$ 9,765,067.83	\$ 8,784,357.53	\$ 8,754,732.81	\$ 8,365,701.52	\$ 7,849,778.80	\$ 7,495,270.98
Restricted	3,684,913.63	4,427,047.81	3,759,481.51	3,521,607.52	2,845,637.76	3,198,519.49	2,955,891.92	3,486,924.66	3,200,790.52	2,622,631.46
Unrestricted (Deficit)	(3,298,351.39)	(3,732,789.99)	(4,415,837.81)	(5,034,583.62)	(5,304,751.65)	(5,144,388.19)	(5,183,290.21)	(5,044,802.72)	(4,967,952.29)	(500,490.75)
<b>Total Governmental Activities Net Position</b>	<b>\$ 13,031,903.77</b>	<b>\$ 11,506,928.50</b>	<b>\$ 9,759,154.72</b>	<b>\$ 8,544,068.66</b>	<b>\$ 7,305,953.94</b>	<b>\$ 6,838,488.83</b>	<b>\$ 6,527,334.52</b>	<b>\$ 6,807,823.46</b>	<b>\$ 6,082,617.03</b>	<b>\$ 9,617,411.69</b>
<b><u>Business-type Activities:</u></b>										
Net Invested in Capital Assets	\$ 50,218.76	\$ 23,199.64	\$ 29,837.27	\$ 37,279.74	\$ 44,424.04	\$ 52,215.45	\$ 59,423.44	\$ 66,631.43	\$ 74,199.42	\$ 78,351.24
Unrestricted (Deficit)	83,799.12	89,399.31	21,111.06	14,589.42	44,557.50	39,700.79	41,249.00	40,347.68	27,520.24	28,290.36
<b>Total Business-type Activities Net Position</b>	<b>\$ 134,017.88</b>	<b>\$ 112,598.95</b>	<b>\$ 50,948.33</b>	<b>\$ 51,869.16</b>	<b>\$ 88,981.54</b>	<b>\$ 91,916.24</b>	<b>\$ 100,672.44</b>	<b>\$ 106,979.11</b>	<b>\$ 101,719.66</b>	<b>\$ 106,641.60</b>
<b><u>District-wide:</u></b>										
Net Invested in Capital Assets	\$ 12,695,560.29	\$ 10,835,870.32	\$ 10,445,348.29	\$ 10,094,324.50	\$ 9,809,491.87	\$ 8,836,572.98	\$ 8,814,156.25	\$ 8,432,332.95	\$ 7,923,978.22	\$ 7,573,622.22
Restricted	3,684,913.63	4,427,047.81	3,759,481.51	3,521,607.52	2,845,637.76	3,198,519.49	2,955,891.92	3,486,924.66	3,200,790.52	2,622,631.46
Unrestricted (Deficit)	(3,214,552.27)	(3,643,390.68)	(4,394,726.75)	(5,019,994.20)	(5,260,194.15)	(5,104,687.40)	(5,142,041.21)	(5,004,455.04)	(4,940,432.05)	(472,200.39)
<b>Total District-wide Net Position</b>	<b>\$ 13,165,921.65</b>	<b>\$ 11,619,527.45</b>	<b>\$ 9,810,103.05</b>	<b>\$ 8,595,937.82</b>	<b>\$ 7,394,935.48</b>	<b>\$ 6,930,405.07</b>	<b>\$ 6,628,006.96</b>	<b>\$ 6,914,802.57</b>	<b>\$ 6,184,336.69</b>	<b>\$ 9,724,053.29</b>

Source: Exhibit A-1

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

**TOWNSHIP OF TABERNAACLE SCHOOL DISTRICT**  
 Changes in Net Position  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Expenses:</b>										
<u>Governmental Activities:</u>										
Instruction:										
Regular	\$ 3,617,979.83	\$ 3,468,917.30	\$ 3,591,766.53	\$ 3,632,553.16	\$ 3,918,470.00	\$ 3,793,587.24	\$ 3,966,302.00	\$ 3,757,047.14	\$ 3,710,826.81	\$ 4,205,991.58
Special Education	1,856,451.15	1,682,641.51	1,406,594.89	1,124,892.20	1,260,598.00	1,328,250.84	1,327,326.00	1,230,781.74	1,171,934.44	1,169,530.41
Other Special Education	320,171.17	324,594.10	299,601.12	290,020.10	333,600.00	320,912.87	257,726.00	271,795.14	271,929.95	253,571.48
Other Instruction	78,501.07	79,143.85	15,711.24	73,649.36	81,623.00	82,885.81	61,813.00	69,633.22	69,253.71	58,482.87
Tuition	12,115.60	198,588.52	240,021.72	316,377.11	311,903.00	335,102.29	371,920.00	214,592.52	139,473.41	54,436.00
Support Services:										
Student and Instruction Related Services	1,582,219.44	1,272,732.11	1,481,142.96	1,532,583.51	1,783,500.00	1,668,509.44	1,690,711.00	1,542,126.60	1,535,175.67	1,572,401.09
School Administrative Services	210,802.53	266,131.25	208,879.17	319,200.20	388,312.00	381,631.66	364,311.00	365,927.47	407,294.76	440,066.44
Other Administrative Services	632,582.08	704,491.34	647,844.66	674,490.90	668,562.00	669,879.60	759,712.00	673,390.04	627,720.39	658,346.78
Plant Operations and Maintenance	1,058,842.26	1,288,504.37	1,118,969.80	1,228,128.45	1,311,399.00	1,425,120.46	1,470,680.00	1,313,387.50	1,175,335.55	1,232,188.43
Pupil Transportation	735,116.06	655,578.87	570,205.33	554,650.98	598,882.00	597,294.30	535,509.00	489,603.38	460,085.23	516,938.43
Unallocated Benefits	3,812,376.55	4,500,504.86	7,148,680.07	5,131,432.29	6,290,536.00	7,993,267.89	7,485,420.00	4,185,933.22	3,739,296.09	3,657,382.61
Interest on Long-term Debt	249,222.39	47,846.89	68,070.83	88,892.63	119,038.00	142,501.41	161,814.00	231,378.10	254,647.24	354,585.15
Debt Issuance Costs	136,257.00									
Unallocated Depreciation	516,317.16	513,962.95	502,192.09	558,954.04	461,845.00	452,139.51	472,915.00	488,177.92	466,597.14	
Total Governmental Activities Expenses	<u>14,818,954.29</u>	<u>15,003,637.92</u>	<u>17,299,680.41</u>	<u>15,525,824.93</u>	<u>17,528,268.00</u>	<u>19,191,083.32</u>	<u>18,926,159.00</u>	<u>14,833,773.99</u>	<u>14,029,570.39</u>	<u>14,173,921.27</u>
<u>Business-type Activities:</u>										
Food Service	328,860.93	347,750.46	166,891.35	200,538.00	261,092.00	254,404.00	252,169.00	256,842.00	262,293.56	266,689.00
Total Business-type Activities Expense	<u>328,860.93</u>	<u>347,750.46</u>	<u>166,891.35</u>	<u>200,538.00</u>	<u>261,092.00</u>	<u>254,404.00</u>	<u>252,169.00</u>	<u>256,842.00</u>	<u>262,293.56</u>	<u>266,689.00</u>
Total District Expenses	<u>\$ 15,147,815.22</u>	<u>\$ 15,351,388.38</u>	<u>\$ 17,466,571.76</u>	<u>\$ 15,726,362.93</u>	<u>\$ 17,789,360.00</u>	<u>\$ 19,445,487.32</u>	<u>\$ 19,178,328.00</u>	<u>\$ 15,090,615.99</u>	<u>\$ 14,291,863.95</u>	<u>\$ 14,440,610.27</u>
<b>Program Revenues:</b>										
<u>Governmental Activities:</u>										
Operating Grants and Contributions	\$ 1,670,242.02	\$ 2,721,488.63	\$ 4,807,942.11	\$ 2,724,172.22	\$ 3,626,799.00	\$ 5,370,297.00	\$ 4,592,563.00	\$ 1,691,626.43	\$ 1,433,807.28	\$ 1,337,343.73
Charges for Services	201,867.31	137,408.99	55,557.60	69,286.99	149,833.00	124,849.00	109,743.00	119,287.00	226,766.28	179,123.94
Capital Grants and Contributions	1,657,086.50	74,042.00								
Total Governmental Activities Program Revenues	<u>3,529,195.83</u>	<u>2,932,939.62</u>	<u>4,863,499.71</u>	<u>2,793,459.21</u>	<u>3,776,632.00</u>	<u>5,495,146.00</u>	<u>4,702,306.00</u>	<u>1,810,913.43</u>	<u>1,660,573.56</u>	<u>1,516,467.67</u>
<u>Business-type activities:</u>										
Charges for Services										
Food Service	220,811.73	56,202.83	3,172.12	118,390.00	191,098.00	179,405.00	179,437.00	192,093.42	181,337.02	183,547.52
Capital Grants and Contributions									3,889.50	19,190.00
Operating Grants and Contributions	126,035.50	352,677.30	131,484.88	43,945.00	66,461.00	66,243.00	66,425.00	70,008.30	72,145.10	74,358.37
Total Business-type Activities Program Revenues	<u>346,847.23</u>	<u>408,880.13</u>	<u>134,657.00</u>	<u>162,335.00</u>	<u>257,559.00</u>	<u>245,648.00</u>	<u>245,862.00</u>	<u>262,101.72</u>	<u>257,371.62</u>	<u>277,095.89</u>
Total District Program Revenues	<u>\$ 3,876,043.06</u>	<u>\$ 3,341,819.75</u>	<u>\$ 4,998,156.71</u>	<u>\$ 2,955,794.21</u>	<u>\$ 4,034,191.00</u>	<u>\$ 5,740,794.00</u>	<u>\$ 4,948,168.00</u>	<u>\$ 2,073,015.15</u>	<u>\$ 1,917,945.18</u>	<u>\$ 1,793,563.56</u>

(Continued)

**TOWNSHIP OF TABERNAACLE SCHOOL DISTRICT**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)  
Unaudited

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Net (Expense)/Revenue:</b>										
Governmental Activities	\$ (11,289,758.46)	\$ (12,070,698.30)	\$ (12,436,180.70)	\$ (12,732,365.72)	\$ (13,751,636.00)	\$ (13,695,937.32)	\$ (14,223,853.00)	\$ (13,022,860.56)	\$ (12,368,996.83)	\$ (12,657,453.60)
Business-type Activities	17,986.30	61,129.67	(32,234.35)	(38,203.00)	(3,533.00)	(8,756.00)	(6,307.00)	5,259.72	(4,921.94)	10,406.89
Total District-wide Net Expense	<u>\$ (11,271,772.16)</u>	<u>\$ (12,009,568.63)</u>	<u>\$ (12,468,415.05)</u>	<u>\$ (12,770,568.72)</u>	<u>\$ (13,755,169.00)</u>	<u>\$ (13,704,693.32)</u>	<u>\$ (14,230,160.00)</u>	<u>\$ (13,017,600.84)</u>	<u>\$ (12,373,918.77)</u>	<u>\$ (12,647,046.71)</u>
<b>General Revenues and Other Changes in Position:</b>										
<u>Governmental Activities:</u>										
Property Taxes Levied for General Purposes	\$ 8,393,247.00	\$ 8,228,674.00	\$ 8,067,327.00	\$ 7,832,419.00	\$ 7,678,842.00	\$ 7,528,276.00	\$ 7,380,663.00	\$ 7,108,411.00	\$ 6,778,362.00	\$ 6,504,183.00
Taxes Levied for Debt Service	387,813.00	690,000.00	684,696.00	676,227.00	724,753.00	727,423.00	722,517.00	733,700.00	701,912.00	766,936.00
Federal and State Aid Not Restricted	3,569,022.00	3,987,795.75	4,614,531.00	5,160,728.55	5,448,972.00	5,472,070.00	5,669,334.00	5,554,275.00	5,601,052.00	5,652,261.00
Federal and State Aid Restricted		71,937.82	73,184.22	76,573.49	78,595.00	77,382.00	75,065.00	272,460.96	72,477.18	75,473.38
Miscellaneous	464,651.73	840,064.51	158,766.05	224,532.40	287,950.00	201,931.00	95,786.00	79,220.51	85,178.45	98,524.35
Total Governmental Activities	<u>12,814,733.73</u>	<u>13,818,472.08</u>	<u>13,598,504.27</u>	<u>13,970,480.44</u>	<u>14,219,112.00</u>	<u>14,007,082.00</u>	<u>13,943,365.00</u>	<u>13,748,067.47</u>	<u>13,238,981.63</u>	<u>13,097,377.73</u>
<u>Business-type Activities:</u>										
Investment Earnings	3,432.63	520.95	313.52	1,091.00	599.00					
Miscellaneous										98.87
Total Business-type Activities	<u>3,432.63</u>	<u>520.95</u>	<u>313.52</u>	<u>1,091.00</u>	<u>599.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98.87</u>
Total District-wide	<u>\$ 12,818,166.36</u>	<u>\$ 13,818,993.03</u>	<u>\$ 13,598,817.79</u>	<u>\$ 13,971,571.44</u>	<u>\$ 14,219,711.00</u>	<u>\$ 14,007,082.00</u>	<u>\$ 13,943,365.00</u>	<u>\$ 13,748,067.47</u>	<u>\$ 13,238,981.63</u>	<u>\$ 13,097,476.60</u>
<b>Change in Net Position:</b>										
Governmental Activities	\$ 1,524,975.27	\$ 1,747,773.78	\$ 1,162,323.57	\$ 1,238,114.72	\$ 467,476.00	\$ 311,144.68	\$ (280,488.00)	\$ 725,206.91	\$ 869,984.80	\$ 439,924.13
Business-type Activities	21,418.93	61,650.62	(31,920.83)	(37,112.00)	(2,934.00)	(8,756.00)	(6,307.00)	5,259.72	(4,921.94)	10,505.76
Total District	<u>\$ 1,546,394.20</u>	<u>\$ 1,809,424.40</u>	<u>\$ 1,130,402.74</u>	<u>\$ 1,201,002.72</u>	<u>\$ 464,542.00</u>	<u>\$ 302,388.68</u>	<u>\$ (286,795.00)</u>	<u>\$ 730,466.63</u>	<u>\$ 865,062.86</u>	<u>\$ 450,429.89</u>

Source: Exhibit A-2

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2018, the School District adopted GASBS No. 75, which required the School District to recognize a revenue and expense on the government-wide statement of activities for the State's proportionate share of the postemployment expense associated with the School District. Revenues and expenses prior to June 30, 2018 are shown as originally reported and have not been restated for this adoption.

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.



**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>General Fund:</b>										
Restricted	\$ 2,975,005.76	\$ 4,314,588.45	\$ 3,705,190.67	\$ 3,521,607.52	\$ 2,845,637.76	\$ 2,254,228.43	\$ 2,955,891.92	\$ 3,129,965.89	\$ 2,755,893.17	\$ 2,370,699.34
Assigned	544,590.16	280,534.10	312,622.91	268,604.57	57,840.49	174,510.12	47,753.96	177,143.27	143,781.87	176,522.97
Unassigned (Deficit)	1,917.70	323,219.17	212,517.90	(123,559.00)	(152,368.51)	(203,006.10)	(130,493.32)	(257,963.84)	(199,389.00)	(133,872.00)
<b>Total General Fund</b>	<b>\$ 3,521,513.62</b>	<b>\$ 4,918,341.72</b>	<b>\$ 4,230,331.48</b>	<b>\$ 3,666,653.09</b>	<b>\$ 2,751,109.74</b>	<b>\$ 2,225,732.45</b>	<b>\$ 2,873,152.56</b>	<b>\$ 3,049,145.32</b>	<b>\$ 2,700,286.04</b>	<b>\$ 2,413,350.31</b>
<b>All Other Governmental Funds:</b>										
Restricted for:										
Special Revenue Fund	\$ 87,860.36	\$ 79,742.18	\$ 54,290.84							
Debt Service Fund	32,717.68	32,717.18	1.68	\$ 1.18	\$ 38,867.18	\$ 38,867.18	\$ 38,866.18	\$ 38,866.18	\$ 0.50	\$ 40,821.00
Capital Projects Fund	12,368,863.59					944,291.06		179,815.50	301,115.48	102,383.98
<b>Total All Other Governmental Funds</b>	<b>\$ 12,489,441.63</b>	<b>\$ 112,459.36</b>	<b>\$ 54,292.52</b>	<b>\$ 1.18</b>	<b>\$ 38,867.18</b>	<b>\$ 983,158.24</b>	<b>\$ 38,866.18</b>	<b>\$ 218,681.68</b>	<b>\$ 301,115.98</b>	<b>\$ 143,204.98</b>
<b>Total District</b>	<b>\$ 16,010,955.25</b>	<b>\$ 5,030,801.08</b>	<b>\$ 4,284,624.00</b>	<b>\$ 3,666,654.27</b>	<b>\$ 2,789,976.92</b>	<b>\$ 3,208,890.69</b>	<b>\$ 2,912,018.74</b>	<b>\$ 3,267,827.00</b>	<b>\$ 3,001,402.02</b>	<b>\$ 2,556,555.29</b>

Source: Exhibit B-1

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
Tax Levy	\$ 8,781,060.00	\$ 8,918,674.00	\$ 8,752,023.00	\$ 8,508,646.00	\$ 8,403,595.00	\$ 8,255,699.00	\$ 8,103,180.00	\$ 7,842,111.00	\$ 7,480,274.00	\$ 7,271,119.00
Other Local Revenue	53,742.40	2,300.00		53,556.30						500.00
Tuition Charges	61,743.95	50,830.17	46,239.93	69,286.99	149,833.42	124,849.24	109,742.79	119,286.62	226,766.28	179,123.94
Miscellaneous	568,066.47	938,782.73	178,142.14	175,939.81	290,930.28	209,966.73	102,749.42	83,220.51	85,178.45	98,524.35
State Sources	7,930,986.74	6,919,741.73	7,101,289.05	7,296,454.05	7,548,474.69	7,203,543.64	7,317,017.52	7,237,621.39	6,843,535.46	6,798,850.11
Federal Sources	579,953.00	550,227.07	356,194.86	220,844.50	261,619.05	263,319.91	264,469.09	276,741.00	263,801.00	265,728.00
<b>Total Revenue</b>	<b>17,975,552.56</b>	<b>17,380,555.70</b>	<b>16,433,888.98</b>	<b>16,324,727.65</b>	<b>16,654,452.44</b>	<b>16,057,378.52</b>	<b>15,897,158.82</b>	<b>15,558,980.52</b>	<b>14,899,555.19</b>	<b>14,613,845.40</b>
<b>Expenditures:</b>										
Instruction										
Regular Instruction	3,590,803.60	3,457,416.58	3,633,717.45	3,611,740.94	3,845,599.94	3,780,927.09	3,927,638.11	3,723,593.76	3,721,593.88	3,731,279.39
Special Education Instruction	1,853,969.89	1,686,636.16	1,430,486.44	1,122,692.76	1,242,269.39	1,328,326.40	1,316,701.57	1,390,217.64	1,189,137.09	1,159,123.12
Other Special Instruction	320,171.17	324,594.10	299,601.12	290,020.10	333,599.85	320,912.87	257,726.47	271,795.14	271,929.95	253,571.48
Other Instruction	78,501.07	79,143.85	15,711.24	73,649.36	81,623.37	82,885.81	61,812.56	114,834.74	197,166.12	112,918.87
Tuition	12,115.60	198,588.52	240,021.72	316,377.11	311,903.32	335,102.29	371,920.45			
Support Services:										
Student and Instruction Related Services	1,582,219.44	1,272,732.11	1,481,142.96	1,532,583.51	1,783,500.49	1,668,509.44	1,690,710.83	1,542,126.60	1,535,175.67	1,572,401.09
School Administrative Services	210,802.53	266,131.25	208,879.17	319,200.20	388,312.09	381,631.66	364,310.70	365,927.47	407,294.76	448,343.44
Other Administrative Services	624,883.25	697,880.96	638,794.44	671,281.05	665,237.19	658,303.39	728,149.27	641,826.82	593,382.17	623,703.54
Central Services										
Plant Operations and Maintenance	1,122,159.82	1,344,951.87	1,175,244.15	1,285,515.01	1,372,863.90	1,413,037.18	1,466,880.14	1,309,587.66	1,152,791.38	1,163,808.23
Pupil Transportation	629,961.86	557,712.54	473,792.25	504,686.17	565,992.37	612,393.16	559,231.05	519,834.55	468,484.94	547,304.64
Allocated and Unallocated Benefits	3,243,253.31	2,869,074.13	2,856,069.02	2,706,445.24	2,918,167.05	2,888,492.89	2,904,409.81	2,773,501.22	2,631,873.09	2,614,504.61
Reimbursed TPAF Pension and Social Security	2,684,383.24	2,844,067.73	2,408,354.05	2,054,532.05	2,008,567.69	1,638,833.89	1,554,962.52	1,386,351.10	1,147,740.46	1,042,878.11
Debt Service:										
Principal	360,000.00	690,000.00	700,000.00	715,000.00	705,000.00	685,000.00	660,000.00	655,000.00	650,000.00	595,000.00
Interest and Other Charges	27,812.50	43,787.50	64,637.50	85,862.50	110,687.50	135,062.50	155,237.50	224,038.50	199,687.50	222,613.34
Debt Issuance Costs	136,257.00									
Capital Outlay	3,292,361.11	301,661.32	242,230.23	158,464.80	740,041.56	261,088.50	233,275.60	551,616.31	288,451.45	316,624.07
<b>Total Expenditures</b>	<b>19,769,655.39</b>	<b>16,634,378.62</b>	<b>15,868,681.74</b>	<b>15,448,050.80</b>	<b>17,073,365.71</b>	<b>16,190,507.07</b>	<b>16,252,966.58</b>	<b>15,470,251.51</b>	<b>14,454,708.46</b>	<b>14,404,073.93</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,794,102.83)	746,177.08	565,207.24	876,676.85	(418,913.27)	(133,128.55)	(355,807.76)	88,729.01	444,846.73	209,771.47
<b>Other Financing Sources (Uses):</b>										
Transfers in	1,157,938.00					179,815.50	127,243.93	377,012.00		
Par Amount of Bonds	12,638,000.00									
Original Issue Premium	136,257.00									
Transfers out	(1,157,938.00)		(31,000.00)			(179,815.50)	(127,243.93)	(377,012.00)		
Assets Acquired Under Leases							177,695.97		131,589.64	
Cancellation of Prior Year Accounts Receivable										(143,405.62)
<b>Total Other Financing Sources (Uses)</b>	<b>12,774,257.00</b>	<b>-</b>	<b>(31,000.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177,695.97</b>	<b>-</b>	<b>131,589.64</b>	<b>(143,405.62)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 10,980,154.17</b>	<b>\$ 746,177.08</b>	<b>\$ 534,207.24</b>	<b>\$ 876,676.85</b>	<b>\$ (418,913.27)</b>	<b>\$ (133,128.55)</b>	<b>\$ (178,111.79)</b>	<b>\$ 88,729.01</b>	<b>\$ 576,436.37</b>	<b>\$ 66,365.85</b>
Debt Service as a Percentage of Noncapital Expenditures	2.4%	4.5%	4.9%	5.2%	5.0%	5.1%	5.1%	5.9%	6.0%	5.8%

Source: Exhibit B-2

For the fiscal year ended June 30, 2021, the School District adopted GASBS No. 84, which required the School District to report several funds that were previously reported as fiduciary fund type as governmental activities and governmental fund type. Balances prior to June 30, 2021 are shown as originally reported and have not been restated for this adoption.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Interest on Investments	\$ 321,491.51	\$ 69,891.66	\$ 97,927.81	\$ 79,086.33	\$ 52,085.72	\$ 10,531.58	\$ 7,952.33	\$ 5,978.88	\$ 5,308.44	\$ 11,540.54
Prior Year Tuition Adjustments	1,570.27	9,195.30								
E-Rate Reimbursements		33,588.00								
Activity Fees	22,840.00	18,505.00								
Sale of Devices	9,449.00	27,850.00								
Transportation Fees				53,556.30						
Rentals	13,337.50	14,030.00	10,000.00	13,620.00	14,700.00	27,371.00	40,240.00	37,300.00	37,000.00	37,080.00
Refund of Prior Year Expenditures	4,000.00	31,600.70		22,794.00	29,418.40	71,606.18	4,594.43	1,566.08	16,469.21	14,954.20
Fuel Reimbursement	42,149.83	37,266.13	21,045.28	32,188.69	43,661.60	46,448.36				
Sale of Assets	38,302.00	563,616.50								
Miscellaneous	10,059.45	33,890.01	29,792.96	23,287.08	148,084.32	45,972.90	42,999.37	34,375.55	26,400.80	34,949.61
<b>Total Miscellaneous Revenues</b>	<u>\$ 463,199.56</u>	<u>\$ 839,433.30</u>	<u>\$ 158,766.05</u>	<u>\$ 224,532.40</u>	<u>\$ 287,950.04</u>	<u>\$ 201,930.02</u>	<u>\$ 95,786.13</u>	<u>\$ 79,220.51</u>	<u>\$ 85,178.45</u>	<u>\$ 98,524.35</u>

Source: District Records

## Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

**TOWNSHIP OF TABERNAACLE SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years  
*Unaudited*

Year Ended Dec. 31	Vacant Land	Residential	Farm	Qfarm	Commercial	Industrial	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities (1)	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2023	\$ 6,066,000.00	\$ 650,506,900.00	\$ 23,469,100.00	\$ 2,835,600.00	\$ 25,140,700.00	\$ 787,800.00	\$ 708,806,100.00	\$ 97,077,700.00	\$ 76.00	\$ 708,806,176.00	\$ 929,571,582.00	\$ 2.085
2022	9,093,700.00	636,240,400.00	21,861,300.00	2,632,100.00	24,514,900.00	787,800.00	695,130,200.00	96,261,100.00	84.00	695,130,284.00	824,590,985.00	2.034
2021	12,929,400.00	614,552,600.00	21,862,100.00	2,679,300.00	24,514,900.00	787,800.00	677,326,100.00	93,865,800.00	89.00	677,326,189.00	761,297,179.00	2.093
2020	10,308,900.00	606,783,200.00	21,051,300.00	2,748,900.00	25,224,600.00	787,800.00	666,904,700.00	92,150,900.00	90.00	666,904,790.00	743,649,409.00	2.131
2019	10,710,000.00	605,883,200.00	19,935,300.00	2,886,000.00	24,994,200.00	787,800.00	665,196,500.00	90,913,400.00	91.00	665,196,591.00	733,322,225.00	2.060
2018	7,093,400.00	607,798,600.00	19,736,700.00	2,914,400.00	24,723,200.00	787,800.00	663,054,100.00	89,074,600.00	92.00	663,054,192.00	721,888,070.00	2.029
2017	6,607,100.00	606,683,300.00	18,417,100.00	2,900,700.00	24,682,400.00	787,800.00	660,078,400.00	89,397,300.00	92.00	660,078,492.00	713,907,087.00	2.008
2016	6,991,200.00	606,799,700.00	17,483,600.00	2,826,100.00	24,676,800.00	787,800.00	659,565,200.00	89,647,900.00	95.00	659,565,295.00	696,258,096.00	1.949
2015	6,808,700.00	607,142,100.00	17,881,800.00	2,935,400.00	24,746,200.00	787,800.00	660,302,000.00	89,645,700.00	94.00	660,302,094.00	705,526,331.00	1.932
2014	7,249,000.00	608,488,600.00	17,450,900.00	2,901,500.00	25,481,300.00	921,500.00	662,492,800.00	89,270,800.00	566,903.00	663,059,703.00	698,001,159.00	1.866

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

Source: Burlington County Board of Taxation

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 (Rate per \$100 of Assessed Value)  
*Unaudited*

Year Ended Dec. 31	District Direct Rate			Overlapping Rates					Total Direct and Overlapping Tax Rate
	Local School	Regional School	Total Direct School Tax Rate	Tabernacle Township	Burlington County	County Library	County Open Space	Fire District	
2023	\$ 1.299	\$ 0.786	\$ 2.085	\$ 0.482	\$ 0.397	\$ 0.037	\$ 0.033		\$ 3.034
2022	1.263	0.771	2.034	0.462	0.382	0.034	0.030		2.942
2021	1.317	0.776	2.093	0.462	0.383	0.034	0.022		2.994
2020	1.312	0.819	2.131	0.462	0.384	0.034	0.022		3.033
2019	1.279	0.781	2.060	0.442	0.372	0.035	0.033		2.942
2018	1.267	0.762	2.029	0.422	0.376	0.034	0.027		2.888
2017	1.251	0.757	2.008	0.422	0.363	0.034	0.043		2.870
2016	1.229	0.720	1.949	0.402	0.355	0.033	0.042		2.781
2015	1.188	0.744	1.932	0.381	0.366	0.035	0.043		2.757
2014	1.128	0.738	1.866	0.309	0.352	0.033	0.016	\$ 0.072	2.648

Source: Municipal Tax Collector

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
*Unaudited*

<u>Taxpayer</u>	2023			2014		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Pinelands Acres, LLC	\$ 2,800,000.00	1	0.40%	\$ 3,000,000.00	2	0.45%
Allenwood Estate, LLC	2,700,000.00	2	0.38%	3,400,400.00	1	0.51%
Tabernacle Equities LLC	1,733,000.00	3	0.24%	1,733,000.00	4	0.26%
Russo's Fruit & Veg Farm Inc	1,078,000.00	4	0.15%	2,150,100.00	3	0.32%
Lamon, Guy B Sr & Robin M	1,010,800.00	5	0.14%			
Haas Plaza, LLC	828,800.00	6	0.12%			
Russo's Fruit & Veg Farm Inc	816,100.00	7	0.12%			
The Auto Vault, LLC	791,700.00	8	0.11%			
Rosado, Marcos J & Marcela F	791,300.00	9	0.11%			
Russo's Fruit & Veg Farm Inc	756,300.00	10	0.11%			
Conte, Joseph Jr.				1,589,700.00	5	0.24%
The ESS Group, Inc				978,700.00	6	0.15%
Individual Taxpayer #1				946,100.00	7	0.14%
CMATT, LLC				940,700.00	8	0.14%
Individual Taxpayer #2				898,900.00	9	0.14%
Individual Taxpayer #3				882,800.00	10	0.13%
Total	<u>\$ 13,306,000.00</u>		<u>1.88%</u>	<u>\$ 16,520,400.00</u>		<u>2.49%</u>

Source: Municipal Tax Assessor

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years  
*Unaudited*

<u>Fiscal Year</u> <u>Ended June 30,</u>	School District Taxes Levied for the <u>Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in</u> <u>Subsequent Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2023	\$ 8,781,060.00	\$ 8,781,060.00	100.00%	
2022	8,918,674.00	8,918,674.00	100.00%	
2021	8,752,023.00	8,752,023.00	100.00%	
2020	8,508,646.00	7,799,592.17	91.67%	\$ 709,053.83
2019	8,403,595.00	8,403,595.00	100.00%	
2018	8,255,699.00	8,255,699.00	100.00%	
2017	8,103,180.00	8,103,180.00	100.00%	
2016	7,842,111.00	7,842,111.00	100.00%	
2015	7,480,274.00	7,480,274.00	100.00%	
2014	7,271,119.00	7,271,119.00	100.00%	

(1) 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: District Records



## Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended <u>June 30,</u>	Governmental Activities				Business-Type Activities		<u>Total District</u>	Percentage of Personal Income (2)	<u>Per Capita (3)</u>
	<u>General Obligation Bonds (1)</u>	<u>Authorized but not Issued</u>	<u>Financed Purchases</u>	<u>Bond Anticipation Notes</u>	<u>Financed Purchases</u>				
2023	\$ 13,348,000.00	-	-	-	-	\$ 13,348,000.00	Unavailable	Unavailable	
2022	1,070,000.00	-	\$ 89,706.29	-	-	1,159,706.29	Unavailable	\$ 169.28	
2021	1,760,000.00	-	176,740.64	-	-	1,936,740.64	0.41%	284.48	
2020	2,460,000.00	-	261,182.62	-	-	2,721,182.62	0.60%	401.24	
2019	3,175,000.00	-	379,122.13	-	-	3,554,122.13	0.82%	522.97	
2018	3,880,000.00	-	500,943.35	-	-	4,380,943.35	1.05%	642.84	
2017	4,565,000.00	-	131,765.52	-	-	4,696,765.52	1.16%	687.26	
2016	5,225,000.00	-	190,937.21	-	-	5,415,937.21	1.37%	790.88	
2015	5,880,000.00	-	78,922.11	-	-	5,958,922.11	1.55%	864.74	
2014	6,530,000.00	-	119,455.10	-	-	6,649,455.10	1.79%	959.52	

## Sources:

- (1) District Records  
(2) Personal income has been estimated based upon the municipal population and per capita  
(3) Per Capita personal income data provided by the NJ Dept. of Labor and Workforce

**TOWNSHIP OF TABERNACLE 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 Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
2023	\$ 13,348,000.00	-	\$ 13,348,000.00	1.88%	Unavailable
2022	1,070,000.00	-	1,070,000.00	0.15%	\$ 156.18
2021	1,760,000.00	-	1,760,000.00	0.26%	258.52
2020	2,460,000.00	-	2,460,000.00	0.37%	362.72
2019	3,175,000.00	-	3,175,000.00	0.48%	467.19
2018	3,880,000.00	-	3,880,000.00	0.59%	569.33
2017	4,565,000.00	-	5,225,000.00	0.79%	764.56
2016	5,225,000.00	-	5,880,000.00	0.89%	858.64
2015	5,880,000.00	-	6,530,000.00	0.99%	947.61
2014	6,530,000.00	-	7,068,000.00	1.07%	1,019.91

**Sources:**

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2022  
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Tabernacle Township</u>
Municipal Debt: (1)				
Tabernacle Township School District	\$ 13,348,000.00	\$ 13,348,000.00		
Regional High School District	3,920,753.32	3,920,753.32		
Tabernacle Township	11,636,000.00		\$ 11,636,000.00	\$ 11,636,000.00
	28,904,753.32	17,268,753.32	11,636,000.00	11,636,000.00
Overlapping Debt Apportioned to the Municipality:				
County of Burlington: (2)				
Solid Waste Utility:				
Bonds	25,425,000.00	25,425,000.00		
General:				
Bonds	153,750,000.00	16,336,626.00 (3)	137,413,374.00 (5)	2,170,549.45
Loans	5,161,340.00		5,161,340.00 (5)	81,527.32
Bonds Issued by Other Public Bodies				
Guaranteed by the County	362,025,500.00	362,025,500.00 (4)		
	546,361,840.00	403,787,126.00	142,574,714.00	2,252,076.77
	\$ 575,266,593.32	\$ 421,055,879.32	\$ 154,210,714.00	\$ 13,888,076.77

## Sources:

- (1) 2022 Annual Debt Statement
  - (2) County's 2022 Audit Report
  - (3) Includes Cash on Hand, Accounts Receivable and County College Bonds paid with State Aid.
  - (4) Deductible in accordance with N.J.S. 40:37A-80.
  - (5) Such debt is allocated as a proportion of the Township's share of the total 2022 Equalized Value, which is 1.58%.
- The source for this computation was the 2022 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2023**

Equalized valuation basis (1)

\$	911,048,755	2022
	803,471,056	2021
	<u>749,583,792</u>	2020

<b>[A]</b>	<u>\$ 2,464,103,603</u>	
<b>[A/3]</b>	<u>\$ 821,367,868</u>	Average equalized valuation of taxable property
<b>[B]</b>	\$ 24,641,036	Debt limit (3% of average equalization value) (2)
<b>[C]</b>	<u>13,348,000</u>	Total Net Debt Applicable to Limit
<b>[B-C]</b>	<u>\$ 11,293,036</u>	Legal Debt Margin

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt limit	\$ 24,641,036	\$ 22,947,994	\$ 22,222,886	\$ 21,913,531	\$ 21,629,605	\$ 21,290,360	\$ 21,182,548	\$ 21,087,799	\$ 21,265,090	\$ 21,769,846
Total net debt applicable to limit (3)	<u>13,348,000</u>	<u>1,070,000</u>	<u>1,760,000</u>	<u>2,460,000</u>	<u>3,175,000</u>	<u>3,880,000</u>	<u>4,565,000</u>	<u>5,225,000</u>	<u>5,880,000</u>	<u>6,530,000</u>
Legal debt margin	<u>\$ 11,293,036</u>	<u>\$ 21,877,994</u>	<u>\$ 20,462,886</u>	<u>\$ 19,453,531</u>	<u>\$ 18,454,605</u>	<u>\$ 17,410,360</u>	<u>\$ 16,617,548</u>	<u>\$ 15,862,799</u>	<u>\$ 15,385,090</u>	<u>\$ 15,239,846</u>
Total net debt applicable to the limit as a percentage of debt limit	54.17%	4.66%	7.92%	11.23%	14.68%	18.22%	21.55%	24.78%	27.65%	30.00%

Sources:

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

## Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Fiscal Years  
*Unaudited*

---

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2022	6,851	Unavailable	Unavailable	3.4%
2021	6,808	\$ 473,128,768.00	\$ 69,496.00	7.8%
2020	6,782	455,438,428.00	67,154.00	3.8%
2019	6,796	431,736,288.00	63,528.00	4.0%
2018	6,815	416,669,100.00	61,140.00	4.3%
2017	6,834	405,058,014.00	59,271.00	4.7%
2016	6,848	394,328,384.00	57,583.00	5.3%
2015	6,891	385,379,175.00	55,925.00	5.8%
2014	6,930	371,253,960.00	53,572.00	5.8%
2013	6,940	358,402,420.00	51,643.00	5.2%

## Sources:

- (1) Population information provided by the NJ Dept. of Labor and Workforce Development.
- (2) Personal income has been estimated based upon the municipal population and per capita personal.
- (3) Per Capita personal income provided by the NJ Dept. of Labor and Workforce Development.
- (4) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Principal Non-Governmental Employers  
 Current Year and Nine Years Ago  
*Unaudited*

<u>Employer</u>	<u>2023</u>			<u>2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
	Information Unavailable			Information Unavailable		
	-		-	-		-



## Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

<b>Function/Program</b>	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Instruction										
Regular & Special Education	65	65	64	65	63	72	73	68	68	70
Other Instruction	10	10	10	12	11	17	12	12	13	14
Support Services:										
Student & Instruction Related Services	7	7	10.5	8.5	8.5	7	7	7	8	5
Other Support Services	2	2	2	2	2	2	2	2	2	3
Media Center	2	2	4	5	5	2	2	2	2	2
School Administrative Services	5	5	5.5	6.5	6.5	5	9	9	10	7
General Administrative Services	3	3	2	2	2	2	2	2	2	2
Plant Operations & Maintenance	10	9	8	11	11	14	12	13	15	13
Pupil transportation	11	11	8	13	13	13	11	16	15	13
Business & Other Support Services	3	3	3	3	3	4	3	5	5	4
<b>Total</b>	<u>118</u>	<u>117</u>	<u>117</u>	<u>128</u>	<u>125</u>	<u>138</u>	<u>133</u>	<u>136</u>	<u>140</u>	<u>133</u>

Source: District Records

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Operating Statistics  
 Last Ten Fiscal Years  
*Unaudited*

<u>Fiscal Year Ended June 30.</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2023	678	\$ 15,953,224.78	\$ 23,529.83	3.93%	75	9.2/1	683	644	-1.47%	94.29%
2022	689	15,598,929.80	22,639.96	-0.07%	75	9.2/1	693	653	3.62%	94.19%
2021	656	14,861,814.01	22,655.20	5.70%	74	8.86/1	669	641	-1.62%	95.81%
2020	676	14,488,723.50	21,433.02	-2.49%	77	8.6/1	680	656	-2.72%	96.47%
2019	706	15,517,636.65	21,979.66	4.74%	74	9.5/1	699	668	-2.10%	95.57%
2018	720	15,109,356.07	20,985.22	-2.42%	72	10.1/1	714	681	0.71%	95.38%
2017	707	15,204,453.48	21,505.59	13.96%	73	11.2/1	709	683	-7.92%	96.33%
2016	744	14,039,596.70	18,870.43	8.41%	74	10.1/1	770	738	0.92%	95.84%
2015	765	13,316,569.51	17,407.28	-0.04%	75	10.2/1	763	730	-4.27%	95.67%
2014	762	13,269,836.52	17,414.48	9.74%	72	10.6/1	797	763	-1.09%	95.73%

Sources: District Records

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><u>District Buildings</u></b>										
<b><u>Elementary</u></b>										
Tabernacle Elementary										
Square Feet	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918	59,918
Capacity (Students)	552	552	552	552	552	552	552	552	552	552
Enrollment	367	376	359	355	379	384	363	361	397	409
<b><u>Middle School</u></b>										
Olson Middle School										
Square Feet	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321	88,321
Capacity (Students)	474	474	474	474	474	474	474	474	474	474
Enrollment	311	313	319	321	327	336	344	383	379	353

Number of Schools at June 30, 2023  
 Elementary = 1  
 Middle School = 1

Source: District Records

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

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

* School Facilities	Project # (s)	Fiscal Year Ended June 30,									
		2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Tabernacle Elementary	S1	\$ 126,392.02	\$ 151,725.34	\$ 90,952.62	\$ 105,011.60	\$ 123,541.84	\$ 152,782.26	\$ 147,114.45	\$ 125,323.06	\$ 124,321.11	\$ 132,702.12
Olson Middle School	S2	184,773.85	309,026.40	165,007.97	167,618.80	181,880.71	249,594.10	332,190.47	189,496.29	179,762.16	180,535.45
Total School Facilities		<u>311,165.87</u>	<u>460,751.74</u>	<u>255,960.59</u>	<u>272,630.40</u>	<u>305,422.55</u>	<u>402,376.36</u>	<u>479,304.92</u>	<u>314,819.35</u>	<u>304,083.27</u>	<u>313,237.57</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 311,165.87</u>	<u>\$ 460,751.74</u>	<u>\$ 255,960.59</u>	<u>\$ 272,630.40</u>	<u>\$ 305,422.55</u>	<u>\$ 402,376.36</u>	<u>\$ 479,304.92</u>	<u>\$ 314,819.35</u>	<u>\$ 304,083.27</u>	<u>\$ 313,237.57</u>

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

Source: District Records

## TOWNSHIP OF TABERNACLE SCHOOL DISTRICT

Insurance Schedule

June 30, 2023

Unaudited

	<u>Coverage</u>	<u>Deductible</u>
<b>Burlington County Insurance Pool Joint Insurance Fund</b>		
Property / Inland Marine / Automobile Physical Damage - JIF Self Insured Retention	\$250,000.00	\$500.00
Crime - JIF Self Insured Retention	250,000.00	500.00
General Liability / Auto Liability - JIF Self Insured Retention	250,000.00	
Educators Legal Liability - JIF Self Insured Retention	250,000.00	
Workers Compensation - JIF Self Insured Retention	250,000.00	
<b>School Pool for Excess Liability Limits Joint Insurance Fund (SPELL JIF)</b>		
Property / Inland Marine / Automobile Physical Damage	175,000,000.00	
Crime	500,000.00	
Workers Compensation	Statutory	
Employers Liability	10,000,000.00	
General Liability / Auto Liability	20,000,000.00	
Educators' Legal Liability	20,000,000.00	
<b>Travelers Insurance Company</b>		
Boiler and Machinery	125,000,000.00	1,000.00
<b>Beazley / Lloyd's of London</b>		
Pollution Legal Liability	3,000,000.00	25,000.00 - 250,000.00
<b>Starr Surplus Lines Ins. Co.</b>		
Cyber Liability	2,000,000.00	50,000.00 - 100,000.00
<b>Lloyd's of London</b>		
Crisis Protection & Disaster Management Services	1,000,000.00	10,000.00
<b>Non-JIF Coverage</b>		
Selective Insurance Company of America:		
Business Administrator/Board Secretary	100,000.00	
Treasurer	200,000.00	

**Excess and Reinsurance Carriers Involved**

Property and Crime:

SPELL JIF, Great American Insurance Company  
 Westchester Fire Insurance Company  
 Mitsui Sumitomo Insurance Company of America  
 Everest Insurance Company  
 Evanston Insurance Company  
 RSUI Indemnity Company  
 James River Insurance Company  
 BRIT / Lloyd's of London  
 Hallmark Specialty / Lloyd's of London  
 Houston Casualty Company  
 Arch Specialty Insurance Company  
 Endurance American Specialty Insurance Company  
 Colony Insurance Company  
 Ategrity Specialty Insurance Company  
 Independent Specialty Insurance Company  
 Interstate Fire & Casualty Insurance Company  
 QBE Specialty Insurance Company  
 Starstone Specialty Insurance Company  
 General Security Indemnity Company  
 Allied World Assurance Company  
 AXIS Insurance Company

General Liability and Automobile Liability:

SPELL JIF, Great American Insurance Company, General Reinsurance Corp.

Workers Compensation:

SPELL JIF, Great American Insurance Company,  
 Safety National Casualty Corp.

Educators Legal Liability:

SPELL JIF, Great American Insurance Company, General Reinsurance Corp.

Source: 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 AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Tabernacle School District  
132 New Road  
Tabernacle, New Jersey 08088

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Tabernacle School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated February 8, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township of Tabernacle School 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 School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township of Tabernacle School District's internal control.

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

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



**Report on Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Daniel M. DiGangi*

Daniel M. DiGangi  
Certified Public Accountant  
Public School Accountant No. CS 002376

Voorhees, New Jersey  
February 8, 2024

**Exhibit K-2**

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Township of Tabernacle School District  
132 New Road  
Tabernacle, New Jersey 08088

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

***Opinion on Each Major State Program***

We have audited the Township of Tabernacle School District's, in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major state programs for the fiscal year ended June 30, 2023. The School District's major state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, the Township of Tabernacle School District, in the County of Burlington, State of New Jersey, 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 state programs for the fiscal year ended June 30, 2023.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Our responsibilities under those standards and State of New Jersey Circular 15-08-OMB, 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 School 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 state program. Our audit does not provide a legal determination of the School 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 School District's state programs.

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

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* and State of New Jersey Circular 15-08-OMB, 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control over Compliance**

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

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 State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

*Bowman & Company LLP*

BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

*Daniel M DiGangi*

Daniel M. DiGangi  
Certified Public Accountant  
Public School Accountant No. CS 002376

Voorhees, New Jersey  
February 8, 2024

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards, Schedule A  
 For the Fiscal Year Ended June 30, 2023

Federal Grantor/ Pass-through Grantor / Program Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-through Entity Identifying Number	Award Amount	Grant Period		Balance June 30, 2022	Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures			Passed Through to Subrecipients	Repayment of Prior Years' Balances	Balance June 30, 2023			
						From	To				Pass-through Funds	Direct Funds	Total Budgetary Expenditures			Adjustments	Accounts Receivable	Unearned Revenue	Due to Grantor
<b>Special Revenue Fund:</b>																			
U.S. Department of Education:																			
Passed-through State Department of Education:																			
E.S.S.A.:																			
Title I Part A - Grants to Local Educational Agencies	84.010	N/A	S010A220030	ESSA513023	\$ 38,440.00	7/1/22	9/30/23	-	-	\$ 38,440.00	\$ 38,440.00	-	\$ 38,440.00	-	-	-	-	-	-
Title II Part A -Supporting Effective Instruction State Grants	84.367	84.367A	S367A220029	ESSA513023	11,058.00	7/1/22	9/30/23	-	-	11,058.00	11,058.00	-	11,058.00	-	-	-	-	-	-
Title IV - Student Support and Academic Enrichment Grants	84.424	84.424A	S424A220031	ESSA513023	10,000.00	7/1/22	9/30/23	-	-	10,000.00	10,000.00	-	10,000.00	-	-	-	-	-	-
I.D.E.A. Part B:																			
Special Education Cluster:																			
Special Education Grants to States (IDEA Basic)	84.027	84.027A	H027A210100	FT513022	173,984.00	7/1/21	9/30/22	\$ (3,193.00)	-	3,193.00	-	-	-	-	-	-	-	-	-
Special Education Grants to States (IDEA Basic)	84.027	84.027A	H027A220100	FT513023	177,644.00	7/1/22	9/30/23	-	-	177,644.00	177,643.41	-	177,643.41	-	\$ (0.59)	-	-	-	-
Total Special Education Grants to State (IDEA Basic)								(3,193.00)	-	180,837.00	177,643.41	-	177,643.41	-	(0.59)	-	-	-	-
Special Education Preschool Grants (IDEA Preschool)	84.173	84.173A	H173A220114	PS513023	8,800.00	7/1/22	6/30/23	-	-	8,800.00	8,800.00	-	8,800.00	-	-	-	-	-	-
Total I.D.E.A. Part B Special Education Cluster								(3,193.00)	-	189,637.00	186,443.41	-	186,443.41	-	(0.59)	-	-	-	-
Education Stabilization Fund (ESF):																			
Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)																			
Elementary and Secondary Emergency Relief Fund (ESSER)	84.425D	COVID-19, 84.425D	S425D210027	100-034-5120-518	174,934.00	3/13/20	9/30/23	-	-	26,843.00	32,538.00	-	32,538.00	-	-	-	\$ (5,695.00)	-	-
Learning Acceleration	84.425D	COVID-19, 84.425D	S425D210027	100-034-5120-518	25,000.00	3/13/20	9/30/23	(870.21)	-	11,855.00	10,985.00	-	10,985.00	-	0.21	-	-	-	-
Mental Health	84.425D	COVID-19, 84.425D	S425D210027	100-034-5120-518	45,000.00	3/13/20	9/30/23	(2,500.80)	-	13,294.00	10,794.00	-	10,794.00	-	0.80	-	-	-	-
American Rescue Plan Act																			
Elementary and Secondary Emergency Relief Fund (ESSER)	84.425U	COVID-19, 84.425U	S425U210027	100-034-5120-523	393,153.00	3/13/20	9/30/24	(120,953.63)	-	243,513.00	127,886.95	-	127,886.95	-	-	-	(149,640.00)	\$ 144,312.42	-
Accelerated Learning Coach and Educator Support	84.425U	COVID-19, 84.425U	S425U210027	100-034-5120-523	55,232.00	3/13/20	9/30/24	-	-	23,367.00	29,385.50	-	29,385.50	-	-	-	(31,865.00)	25,846.50	-
Evidence Based Summer Learning and Enrichment	84.425U	COVID-19, 84.425U	S425U210027	100-034-5120-523	40,000.00	3/13/20	9/30/24	-	-	14,365.00	14,364.80	-	14,364.80	-	-	-	(25,635.00)	25,635.20	-
Evidence Based Comprehensive Beyond the School Day	84.425U	COVID-19, 84.425U	S425U210027	100-034-5120-523	40,000.00	3/13/20	9/30/24	-	-	6,521.00	10,118.70	-	10,118.70	-	-	-	(33,479.00)	29,881.30	-
NJTSS Mental Health Support Staffing	84.425U	COVID-19, 84.425U	S425U210027	100-034-5120-523	45,000.00	3/13/20	9/30/24	-	-	19,233.00	26,706.33	-	26,706.33	-	-	-	(25,767.00)	18,293.67	-
Total Education Stabilization Fund (ESF)								(124,324.64)	-	358,991.00	262,779.28	-	262,779.28	-	1.01	-	(272,081.00)	243,969.09	-
Total Passed-through State Department of Education								(127,517.64)	-	608,126.00	508,720.69	-	508,720.69	-	0.42	-	(272,081.00)	243,969.09	-
Passed-through Lenape Regional High School District Consortium:																			
E.S.S.A.:																			
Title III - English Language Acquisition Grants	84.365	84.365A	S365A210030	ESSA513022	1,200.00	7/1/21	9/30/22	(200.00)	-	200.00	-	-	-	-	-	-	-	-	-
Total U.S. Department of Education								(127,717.64)	-	608,326.00	508,720.69	-	508,720.69	-	0.42	-	(272,081.00)	243,969.09	-
Total Special Revenue Fund								(127,717.64)	-	608,326.00	508,720.69	-	508,720.69	-	0.42	-	(272,081.00)	243,969.09	-
<b>Enterprise Fund:</b>																			
U.S. Department of Agriculture:																			
Passed-through State Department of Education:																			
Child Nutrition Cluster:																			
National School Lunch Program:																			
National School Lunch Program - SSO	10.555	N/A	221NJ304N1099	100-010-3350-026	313,943.25	7/1/21	6/30/22	(23,871.00)	-	23,871.00	-	-	-	-	-	-	-	-	-
National School Lunch Program	10.555	N/A	231NJ304N1199	100-010-3350-026	55,101.84	7/1/22	6/30/23	-	-	51,871.80	55,101.84	-	55,101.84	-	-	-	(3,230.04)	-	-
National School Lunch Program - Commodities (Noncash)	10.555	N/A	231NJ304N1199	Unavailable	24,276.48	7/1/22	6/30/23	-	-	24,276.48	24,276.48	-	24,276.48	-	-	-	-	-	-
Supply Chain Assistance	10.555	COVID-19	231NJ304N1199	100-010-3350-118	43,808.47	7/1/22	6/30/23	-	-	43,808.47	43,808.47	-	43,808.47	-	-	-	-	-	-
Total National School Lunch Program								(23,871.00)	-	143,827.75	123,186.79	-	123,186.79	-	-	-	(3,230.04)	-	-
Total Child Nutrition Cluster								(23,871.00)	-	143,827.75	123,186.79	-	123,186.79	-	-	-	(3,230.04)	-	-
Total Enterprise Fund								(23,871.00)	-	143,827.75	123,186.79	-	123,186.79	-	-	-	(3,230.04)	-	-
Total Federal Financial Assistance								\$ (151,588.64)	-	\$ 752,153.75	\$ 631,907.48	-	\$ 631,907.48	-	\$ 0.42	-	\$ (275,311.04)	\$ 243,969.09	-

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

These funds were not audited in accordance with the Uniform Guidance since the total of all grant expenditures did not exceed \$750,000.00

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2023

State Grantor/ Program Title	State Project Number	Award Amount	Grant Period		Balance June 30, 2022		Cash Received	Total Budgetary Expenditures	Passed- Through to Subrecipients	Repayment of Prior Years' Balances	Balance June 30, 2023			Memo Only		
			From	To	Unearned Revenue/ Accounts Receivable	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2023	Cumulative Total Expenditures	
<b>General Fund:</b>																
<b>New Jersey Department of Education:</b>																
<b>State Aid - Public:</b>																
Equalization Aid	495-034-5120-078	\$ 2,674,065.00	07/01/21	06/30/22	\$ (255,247.65)		\$ 255,247.65									
Equalization Aid	495-034-5120-078	2,106,050.00	07/01/22	06/30/23			1,906,943.21	\$ 2,106,050.00			\$ (199,106.79)			\$ (199,106.79)	\$ 2,106,050.00	
Stabilization Aid and Supplemental Stabilization Aid	100-034-5120-494	329,199.00	07/01/22	06/30/23			329,199.00	329,199.00							329,199.00	
Special Education Categorical Aid	495-034-5120-089	543,635.00	07/01/21	06/30/22	(51,891.61)		51,891.61									
Special Education Categorical Aid	495-034-5120-089	543,635.00	07/01/22	06/30/23			492,239.54	543,635.00			(51,395.46)			(51,395.46)	543,635.00	
Security Aid	495-034-5120-084	66,283.00	07/01/21	06/30/22	(6,326.91)		6,326.91									
Security Aid	495-034-5120-084	66,283.00	07/01/22	06/30/23			60,016.58	66,283.00			(6,266.42)			(6,266.42)	66,283.00	
<b>Total State Aid - Public</b>					<b>(313,466.17)</b>	<b>-</b>	<b>3,101,864.50</b>	<b>3,045,167.00</b>	<b>-</b>	<b>-</b>	<b>(256,768.67)</b>	<b>-</b>	<b>-</b>	<b>(256,768.67)</b>	<b>3,045,167.00</b>	
<b>Transportation Aid:</b>																
Categorical Transportation Aid	495-034-5120-014	344,597.00	07/01/21	06/30/22	(32,892.83)		32,892.83									
Categorical Transportation Aid	495-034-5120-014	344,597.00	07/01/22	06/30/23			312,018.67	344,597.00			(32,578.33)			(32,578.33)	344,597.00	
Additional Nonpublic School Transportation Aid	495-034-5120-014	8,410.00	07/01/21	06/30/22	(8,410.00)		8,410.00									
Additional Nonpublic School Transportation Aid	495-034-5120-014	12,480.00	07/01/22	06/30/23				12,480.00			(12,480.00)				12,480.00	
<b>Total Transportation Aid</b>					<b>(41,302.83)</b>	<b>-</b>	<b>353,321.50</b>	<b>357,077.00</b>	<b>-</b>	<b>-</b>	<b>(45,058.33)</b>	<b>-</b>	<b>-</b>	<b>(32,578.33)</b>	<b>357,077.00</b>	
<b>Extraordinary Aid:</b>																
Extraordinary Aid	495-034-5120-044	264,302.00	07/01/21	06/30/22	(264,302.00)		264,302.00									
Extraordinary Aid	495-034-5120-044	106,784.00	07/01/22	06/30/23				106,784.00			(106,784.00)				106,784.00	
<b>Total Extraordinary Aid</b>					<b>(264,302.00)</b>	<b>-</b>	<b>264,302.00</b>	<b>106,784.00</b>	<b>-</b>	<b>-</b>	<b>(106,784.00)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106,784.00</b>	
<b>Reimbursed TPAF Social Security Contributions:</b>																
Reimbursed TPAF Social Security Contributions	495-034-5094-003	374,744.73	07/01/21	06/30/22	(18,750.37)		18,750.37									
Reimbursed TPAF Social Security Contributions	495-034-5094-003	380,561.24	07/01/22	06/30/23			361,688.04	380,561.24	\$ (0.01)		(18,873.21)				380,561.24	
<b>Total Reimbursed TPAF Social Security Contributions</b>					<b>(18,750.37)</b>	<b>-</b>	<b>380,438.41</b>	<b>380,561.24</b>	<b>-</b>	<b>(0.01)</b>	<b>(18,873.21)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380,561.24</b>	
State Reimbursement for Lead Testing State Aid	588-034-5120-001	2,982.00	07/01/22	06/30/23			2,982.00	2,982.00							2,982.00	
<b>On-Behalf T.P.A.F. Contributions (non-budgeted):</b>																
<b>On-Behalf T.P.A.F. Pension Contributions - Post-Retirement</b>																
Medical (non-budgeted)	495-034-5094-001	479,150.00	07/01/22	06/30/23			479,150.00	479,150.00							479,150.00	
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	495-034-5094-002	1,799,001.00	07/01/22	06/30/23			1,799,001.00	1,799,001.00							1,799,001.00	
On-Behalf T.P.A.F. Non-contributory Insurance	495-034-5094-004	24,959.00	07/01/22	06/30/23			24,959.00	24,959.00							24,959.00	
On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted)	495-034-5094-004	712.00	07/01/22	06/30/23			712.00	712.00							712.00	
<b>Total On-Behalf TPAF Pension Contributions (non-budgeted)</b>					<b>-</b>	<b>-</b>	<b>2,303,822.00</b>	<b>2,303,822.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,303,822.00</b>	
<b>Total General Fund</b>					<b>(637,821.37)</b>	<b>-</b>	<b>6,406,730.41</b>	<b>6,196,393.24</b>	<b>-</b>	<b>(0.01)</b>	<b>(427,484.21)</b>	<b>-</b>	<b>-</b>	<b>(289,347.00)</b>	<b>6,196,393.24</b>	
<b>Special Revenue Fund:</b>																
<b>New Jersey Schools Development Authority (SDA):</b>																
Capital Maintenance and Emergency Project Grant	N/A	15,120.00	07/01/22	06/30/23			15,120.00	15,120.00							15,120.00	
<b>New Jersey Department of Treasury:</b>																
<b>Passed through State Board of Public Utilities:</b>																
<b>Clean Energy Program:</b>																
School and Small Business Ventilation and Energy Efficiency Verification and Repair Program (SSB-VEEVR)	67811, 67812	3,453,670.63	04/18/23	08/23/24				1,638,643.50			(3,453,670.63)	\$ 1,815,027.13			1,638,643.50	

(Continued)

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2023

State Grantor/ Program Title	State Project Number	Award Amount	Grant Period		Balance June 30, 2022		Cash Received	Total Budgetary Expenditures	Passed- Through to Subrecipients	Adjustments	Repayment of Prior Years' Balances	Balance June 30, 2023			Memo Only	
			From	To	Unearned Revenue/ Accounts Receivable	Due to Grantor						(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2023	Cumulative Total Expenditures
Special Revenue Fund (Cont'd):																
New Jersey Department of Education:																
Climate Awareness Education Grant	100-034-5063-359	\$ 6,660.00	04/01/23	06/30/23	-	-	-	\$ 6,660.00	-	-	-	\$ (6,660.00)	-	-	-	\$ 6,660.00
Total Special Revenue Fund					-	-	\$ 15,120.00	1,660,423.50	-	-	-	(3,460,330.63)	\$ 1,815,027.13	-	-	1,660,423.50
Capital Projects Fund:																
Securing our Children's Future Bond Act:																
School Security Grant	588-034-5120-001	37,032.00	07/01/22	06/30/23	\$ (29,000.00)		37,032.00	8,032.00								8,032.00
Total Capital Projects Fund					(29,000.00)	-	37,032.00	8,032.00	-	-	-			-	-	8,032.00
Enterprise Fund:																
New Jersey Department of Agriculture:																
State School Lunch Aid	100-010-3350-023	7,378.79	07/01/21	06/30/22	(549.36)		549.36									
State School Lunch Aid	100-010-3350-023	2,848.71	07/01/22	06/30/23			2,677.94	2,848.71				(170.77)				2,848.71
Total Enterprise Fund					(549.36)	-	3,227.30	2,848.71	-	-	-	(170.77)	-	-	-	2,848.71
Total State Financial Assistance					\$ (667,370.73)	-	\$ 6,462,109.71	7,867,697.45	-	\$ (0.01)	-	\$ (3,887,985.61)	\$ 1,815,027.13	-	\$ (289,347.00)	\$ 7,867,697.45
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:																
General Fund (Non-Cash Assistance):																
New Jersey Department of Education:																
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement																
Medical (non-budgeted)	495-034-5094-001	479,150.00	07/01/22	06/30/23				479,150.00								
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	495-034-5094-002	1,799,001.00	07/01/22	06/30/23				1,799,001.00								
On-Behalf T.P.A.F. Non-contributory Insurance	495-034-5094-004	24,959.00	07/01/22	06/30/23				24,959.00								
On-Behalf T.P.A.F. Pension Contributions - Long-Term Disability Insurance (non-budgeted)	495-034-5094-004	712.00	07/01/22	06/30/23				712.00								
Total On-Behalf TPAF Pension Contributions (non-budgeted)								2,303,822.00								
Total State Financial Assistance subject to Major Program Determination for State Single Audit								\$ 5,563,875.45								

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2023

---

**Note 1: BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Township of Tabernacle School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise fund are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The expenditures reflected in the schedules are presented at the federal and state participation level; thus, any matching portion is not included.

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

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

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



**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$57,012.00 for the general fund and \$80,358.31 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

The revenues reported on a GAAP basis from the basic financial statements with a reconciliation to the reported amounts on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General		\$ 6,253,405.24	\$ 6,253,405.24
Special Revenue	\$ 579,953.00	1,669,549.50	2,249,502.50
Capital Projects		8,032.00	8,032.00
Food Service	123,186.79	2,848.71	126,035.50
	<u>703,139.79</u>	<u>7,933,835.45</u>	<u>8,636,975.24</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments		(57,012.00)	(57,012.00)
Encumbrances	(71,232.31)	(9,126.00)	(80,358.31)
	<u>(71,232.31)</u>	<u>(66,138.00)</u>	<u>(137,370.31)</u>
Total Awards and Financial Assistance Expended	<u>\$ 631,907.48</u>	<u>\$ 7,867,697.45</u>	<u>\$ 8,499,604.93</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: REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2023, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

**Note 7: MAJOR PROGRAMS**

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

TOWNSHIP OF TABERNACLE SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

THIS SECTION IS NOT APPLICABLE

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes no

Significant deficiency(ies) identified? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes no

Identification of major programs:

Table with 3 columns: Assistance Listing Number(s), FAIN Number(s), Name of Federal Program or Cluster. Multiple rows of blank lines for data entry.

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

Auditee qualified as low-risk auditee? yes no

TOWNSHIP OF TABERNACLE SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

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

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes \_\_\_X\_\_\_ no

Significant deficiency(ies) identified? \_\_\_ yes \_\_\_X\_\_\_ none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? \_\_\_ yes \_\_\_X\_\_\_ no

Identification of major programs:

Table with 2 columns: GMIS Number(s) and Name of State Program. Rows include: 495-034-5120-078 Equalization Aid, 495-034-5120-084 Categorical Security Aid, 495-034-5120-089 Categorical Special Education Aid, 100-034-5120-494 Stabilization Aid, Unknown SSB-VEEVR HVAC Grant.

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000.00

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

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023

---

***Section 2 - Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

No Current Year Findings.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023

---

***Section 3 - Schedule of Federal Award Findings and Questioned Costs***

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

This Section is Not Applicable.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2023

---

***Section 4 - Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

No Current Year Findings.

**TOWNSHIP OF TABERNACLE SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

---

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

**FINANCIAL STATEMENT FINDINGS**

No Prior Year Findings.

**FEDERAL AWARDS**

No Prior Year Findings.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

No Prior Year Findings.