

SCHOOL DISTRICT
OF
WASHINGTON TOWNSHIP

Washington Township School District
Green Bank, New Jersey

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

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Introductory Section

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WASHINGTON TOWNSHIP SCHOOL DISTRICT
(Burlington County)
GREEN BANK SCHOOL

500 Elwood Road
Phone: (609) 965-3520

Elwood, New Jersey 08217
Fax (609) 965-6330

December 2, 2023

Honorable President and
Members of the Board of Education
Washington Township School District
Green Bank, New Jersey 08215

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (“ACFR”) of the Washington Township School District (“District”) for the fiscal year ended June 30, 2023. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, 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 District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

- ◆ The Introductory Section contains a Table of Contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District;
- ◆ The Financial Section begins with the Independent Auditors’ Report and includes the Management’s Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District’s financial position and operating results, and other schedules providing detailed budgetary information;
- ◆ The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the District, generally presented on a multi-year basis;
- ◆ The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1996, as amended, the U. S. Office of Management and Budget’s 2 CFR 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the State Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Information related to this single audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The Washington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14, as amended by GASB Statements No. 34 and No. 61. All funds and account groups of the District are included in this report. The Washington Township Board of Education and the school district constitute the District's reporting entity.

The District is a non-operating send/receive district. The district sends students to various Pre-K through grade 12 schools for regular and special education. There were 68 students in the 2022-2023 school year.

2. ECONOMIC CONDITION AND OUTLOOK

The Washington Township area is still experiencing a period of stagnant development, which is in part due to governmental zoning and restrictions, and in part to the economy. Population within the Township seems stable; although the school enrollment has decreased.

3. MAJOR INITIATIVES

All students in grades Pre-K through eighth grade attend the Mullica Township School District as part of a send/receive relationship. High school students continue to attend Greater Egg Regional High School District. The District was awarded the Preschool Expansion Grant from the New Jersey Department of Education. It allowed preschool to be available for three-year olds.

The shared services program is in place to combine Business, Technology and Treasurer services with the Mullica Township Board of Education. The agreements help to lower Washington Township's administrative costs and other overhead costs, which are always disproportionately high in a school system of this size. A contract with the Greater Egg Regional High School District for transportation services has made the students' commute to the Mullica Township School District, Greater Egg Regional High School District, Burlington County Institute of Technology and Atlantic County Special Services District shorter and easier; further providing the District with cost savings.

There has been significant savings to the taxpayers of the township since becoming a non-operating school district. However, the current school tax levy is at the state mandated minimum tax levy. This means that the Board is unable to lower taxes below the current tax rate. In an effort to lower taxes, A reduction in the minimum tax levy would further reduce the burden on the taxpayer.

4. INTERNAL ACCOUNTING CONTROLS

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

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

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Funds, and the Debt Service Fund. Transfers among line items are approved by the Board of Education and reconciled with the requirements of P.L. 2004, C.73, commonly known as S-1701. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

6. ACCOUNTING SYSTEM AND REPORTS

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

7. DEBT ADMINISTRATION

At June 30, 2023, the District had no long-term debt.

8. CASH MANAGEMENT

The investment policy of the District is guided in large part by State statute as detailed in the Notes to the Basic Financial Statements, 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.

9. RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, fidelity bonds and worker's compensation. A Schedule of Insurance Coverage is found at Schedule J-20.

10. OTHER INFORMATION

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, LLC was selected by the Washington Township School District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related Uniform Guidance and New Jersey OMB's Circular 15-08. 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 reports related specifically to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS:

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

Respectfully submitted,

Karen Gfroehrer

Karen Gfroehrer
Business Administrator/Board Secretary

WASHINGTON TOWNSHIP SCHOOL DISTRICT

GREEN BANK, NEW JERSEY

ROSTER OF OFFICIALS

June 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Charlene Lee, President	2024
Scott Bartling, Vice President	2025
Teri Giercyk	2023
Beth Plummer	2025
Melissa Achey	2024

Other Officials

Karen Gfroehrer, Business Administrator/Board Secretary

Dawn Stollenwerk, Treasurer of School Monies

Ronald W. Sahli, Solicitor

**WASHINGTON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

Ford, Scott & Associates, L.L.C.
1535 Haven Avenue
Ocean City, NJ 08226

Attorney

Mr. Ronald Sahli
Sahli & Padovani
1145 S. White Horse Pike
Hammonton, New Jersey 08037

Official Depository

TD Bank
Cherry Hill, NJ

Financial Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

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Independent Auditor's Report

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

Report on the Audit of Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2023 on our consideration of the Washington Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Washington Township School District's internal control over financial reporting and compliance.

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

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Licensed Public School Accountant
No. 2426

December 2, 2023

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Required Supplemental Information
Part I

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MANAGEMENT’S DISCUSSION AND ANALYSIS

This section of the Washington Township Sending School District (“Non-operating School District”) annual financial report presents our discussion and analysis of the District’s financial performance during the fiscal years that ended on June 30, 2023 and 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statement.

FINANCIAL HIGHLIGHTS

- The net position of the District decreased \$597,721.49 due mainly to an increase in tuition costs as well as a decrease in state aid.
- As indicated by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to the greater of 2% of the total general fund expenditures or \$250,000. Any excess is required to be designated as Restricted Fund Balance – Excess surplus and included in the next year’s budget as budgeted fund balance. As of June 30, 2023 and 2022, the District had \$469,629.41 and \$1,145,200.62 excess surplus respectively.
- During the fiscal year ended June 30, 2023, the District’s expenses incurred were \$603,780.49 more than total revenues realized. During the prior fiscal year, the District’s expenses were \$467,442.87 more than total revenues.
- This district has no business-type activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management’s discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue, capital projects, proprietary, and fiduciary funds*. The basic financial statements include two kinds of statements that present different views of the district.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the district’s government, reporting on the district’s operations in *more detail* than the government-wide statements.
 - > The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The following table shows how the required parts of this annual report are arranged and relate to one another.

The table below summarizes the major features of the District’s financial statements, including the portion of the District’s government they cover and the types of information they contain. The remainder of this over view section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Major Features of Washington Township Sending School District’s
Government-wide and Fund Financial Statements**

Fund Statements		
	Government Wide Statements	Governmental Funds
Scope	Entire District	The activities of the District
Required Financial Statements	Statement of net position Statement of changes in net position	Balance sheet Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year of soon thereafter.

Government-wide Statements

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

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

- Over time, increases or decreases in the District’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the District you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of the district's facilities.

The government-wide financial statements of the District have one category:

- Governmental activities – most of the District's basic services are included here, such as administration. Property taxes and state aid finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has one kind of fund:

- *Governmental funds* – All of the District's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the district's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationship (or differences) between them.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District’s governmental activities net position decreased between fiscal years 2023 and 2022 due mainly to an increase in tuition costs.

Governmental Activities		
	2023	2022
Current Assets	\$ 800,688	1,425,035
Deferred Outflows	8,422	21,791
Total Assets	<u>809,110</u>	<u>1,446,826</u>
Current Liabilities	-	-
Non-Current Liabilities		-
Deferred Inflows	19,073	59,068
Total Liabilities	<u>19,073</u>	<u>59,068</u>
Net Position:		
Restricted	469,629	1,174,023
Unrestricted	320,408	213,735
	<u>\$ 790,037</u>	<u>1,387,758</u>

As required by New Jersey Statutes, the unrestricted net position of the District are not permitted to exceed 2% of total general fund expenditures or \$250,000, whichever is greater. Any excess must be appropriated as budgeted fund balance in the subsequent years’ budget. As of June 30, 2023 and 2022, the District had \$469,629.41 and \$1,145,201 excess fund balance respectively.

Changes in net position. The total revenue of the District decreased \$26,232 due to a decrease in state aid.

Approximately 33% of the District’s revenue comes from the State of New Jersey in the form of nonrestricted state aid. There was a large decrease in the other post retirement benefit liability from 2022 to 2023, causing negative balances in some expenses and operating grants and contributions for the year ended June 30, 2023.

The District expenses are primarily related to tuition, transportation and insurance. The following table summarizes the district’s revenues for 2023 and 2022:

	2023	2022	Change	% Change
Property Taxes	\$ 846,095	829,505	16,590	2%
Unrestricted State Aid	325,311	351,490	(26,179)	-7%
Operating Grants	(226,962)	(195,102)	(31,860)	16%
Other	19,921	4,704	15,217	323%
Total	\$ 964,365	990,597	(26,232)	-3%

Governmental Activities

The following schedule summarizes the governmental activities of the District during the 2023 and 2022 fiscal year:

	Governmental Activities	
	2023	2022
Revenues		
Program revenue		
Federal and state grants	(226,962)	(195,102)
General revenues		
Property taxes	846,095	829,505
State aid entitlements	325,311	351,490
Miscellaneous	19,921	4,704
Total revenues	964,365	990,597
Expenses		
Instruction	82,260	-
Support services:		
Tuition	1,259,983	1,252,920
Student & instruction related	128,334	8,987
General admin services	(76,836)	(50,925)
Central Services	(150,433)	(115,598)
Admin Info. Tech.	8,424	10,784
Plant operations/maint	3,570	1,325
Pupil transportation	287,944	278,979
Capital Outlay	18,840	18,840
Total expenses	1,562,086	1,405,312
Excess (Deficiency) before		
Extraordinary and Special	(597,721)	(414,715)
Transfers		
None		
Increase (decrease) in net position	(597,721)	(414,715)

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year-end, the governmental funds reported a fund balance of \$800,687.96 which is \$624,347.19 lower than the beginning of the year. The majority of the decrease is the result of higher tuition costs.

General Fund Budgetary Highlights

As further explained in the Notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office and, as a Type II School District, are approved by the voters annually if the District exceeds the statutory CAP limitations. Effective with the 2013-2014 school year, if the District stays within the statutory limitations, there is no vote on the budget by the District voters and Board Members are elected at the time of the general election in November. Transfers of appropriations may be made by Board resolution at any time during the fiscal year. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30th carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at P.O. Box 318, 500 Elwood Road, Elwood, New Jersey 08217.

BASIC FINANCIAL STATEMENTS

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DISTRICT - WIDE FINANCIAL STATEMENTS

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Washington Township School District
Statement of Net Position
June 30, 2022

	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	\$ 720,625.96	720,625.96
Investments	-	-
Tax Levy Receivable	-	-
Other Receivables	-	-
Receivables from State Government	80,062.00	80,062.00
Total Assets	800,687.96	800,687.96
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	8,422.00	8,422.00
Total Deferred Outflows of Resources	8,422.00	8,422.00
 LIABILITIES		
Unearned Revenue	-	-
Total liabilities	-	-
 DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Pensions	19,073.00	19,073.00
Total Deferred Inflows of Resources	19,073.00	19,073.00
 NET POSITION		
Restricted for:		
Other purposes	469,629.41	469,629.41
Unrestricted	320,407.55	320,407.55
Total net position	\$ 790,036.96	790,036.96

Washington Township School District
Statement of Change in Net Position
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues			Total
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:						
Regular Instruction	\$ 82,260.00			61,693.00	(20,567.00)	(20,567.00)
Support services:						
Tuition	1,259,982.98				(1,259,982.98)	(1,259,982.98)
Student and Instruction Related Services	128,334.20				(128,334.20)	(128,334.20)
General Administration	(76,835.61)			(97,589.34)	(20,753.73)	(20,753.73)
Central Services	(150,432.88)			(191,065.66)	(40,632.78)	(40,632.78)
Admin Information Technology	8,424.05				(8,424.05)	(8,424.05)
Plant Operations and Maintenance	3,570.00				(3,570.00)	(3,570.00)
Pupil Transportation	287,943.56				(287,943.56)	(287,943.56)
Unallocated benefits	-				-	-
Capital Outlay	18,840.00				(18,840.00)	(18,840.00)
Total governmental activities	<u>1,562,086.30</u>	<u>-</u>	<u>-</u>	<u>(226,962.00)</u>	<u>(1,789,048.30)</u>	<u>(1,789,048.30)</u>
Total primary government	<u>\$ 1,562,086.30</u>	<u>-</u>	<u>-</u>	<u>(226,962.00)</u>	<u>(1,789,048.30)</u>	<u>(1,789,048.30)</u>
General revenues:						
Property taxes, levied for general purposes, net					846,095.00	846,095.00
Federal and State aid not restricted					325,311.00	325,311.00
Investment Earnings					-	-
Tuition from LEAs within the State					-	-
Miscellaneous Income				19,920.81	19,920.81	19,920.81
Total general revenues, special items, extraordinary items and transfers					<u>1,191,326.81</u>	<u>1,191,326.81</u>
Change in Net Position					<u>(597,721.49)</u>	<u>(597,721.49)</u>
Net Position—beginning					1,387,758.45	1,387,758.45
Net Position—ending					<u>\$ 790,036.96</u>	<u>790,036.96</u>

FUND FINANCIAL STATEMENTS

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**Washington Township School District
Balance Sheet
Governmental Funds
June 30, 2023**

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 720,625.96	-	720,625.96
Investments			-
Due from Other Funds	20,567.00		20,567.00
Tax Levy Receivable			-
Receivables from Federal Government			-
Receivables from State Government	80,062.00		80,062.00
Other Receivables			-
Total assets	821,254.96	-	821,254.96
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable			-
Due to Other Governments			-
Due to Other Funds		20,567.00	20,567.00
Unearned Revenue			-
Total liabilities	-	20,567.00	20,567.00
Fund Balances:			
Restricted for:			
Excess Surplus	275,659.96		275,659.96
Excess Surplus - Designated for subsequent year's Expenditures	193,969.45		193,969.45
Assigned to:			
Legally assigned - designated for Subsequent year's expenditures	-		-
Encumbrances	41,909.55		41,909.55
Unassigned:			
General fund	309,716.00		309,716.00
Special Revenue		(20,567.00)	(20,567.00)
Total Fund balances	821,254.96	(20,567.00)	800,687.96
Total Liabilities and Fund balances	\$ 821,254.96	-	

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

Pension Liabilities Net of Deferred Outflows & Inflows	(10,651.00)
Total net position of governmental activities	\$ 790,036.96

Washington Township School District
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUES			
Local tax levy	\$ 846,095.00		846,095.00
Interest	-		-
Tuition from LEAs within the State	-		-
Miscellaneous	19,920.81		19,920.81
State sources	325,311.00	61,693.00	387,004.00
Federal sources		-	-
	<u>1,191,326.81</u>	<u>61,693.00</u>	<u>1,253,019.81</u>
EXPENDITURES			
Current:			
Instruction:			
Regular Instruction		82,260.00	82,260.00
Support services and undistributed costs:			
Tuition	1,259,982.98		1,259,982.98
Student and Instruction Related Services	128,334.20		128,334.20
General Administration	29,400.56		29,400.56
Central Services	57,562.00		57,562.00
Administrative Information Technology	9,474.00		9,474.00
Plant Operations and Maintenance	3,570.00		3,570.00
Pupil transportation	287,943.56		287,943.56
Employee Benefits	-	-	-
Capital Outlay	18,840.00		18,840.00
Total expenditures	<u>1,795,107.30</u>	<u>82,260.00</u>	<u>1,877,367.30</u>
(Deficit) of revenues over expenditures	<u>(603,780.49)</u>	<u>(20,567.00)</u>	<u>(624,347.49)</u>
Other Financing Sources (Uses)			
Cancellation of Fund 20 Balances	-		-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(603,780.49)	(20,567.00)	(624,347.49)
Fund balance—July 1	1,425,035.45	-	1,425,035.45
Fund balance—June 30	<u>\$ 821,254.96</u>	<u>(20,567.00)</u>	<u>800,687.96</u>

**Washington Township School District
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2023**

Total net change in fund balances - governmental funds (from B-2)		\$ (624,347.49)
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

District pension contributions - PERS	26,626.00	
Cost of benefits earned net of employee contributions	-	26,626.00

Change in net assets of governmental activities		<u><u>\$ (597,721.49)</u></u>
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**WASHINGTON TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. REPORTING ENTITY:

The Washington Township 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 purpose of the district is to educate students in grades K – 12.

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

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

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

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:

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

In the governmental-wide Statement of Net Position, both the governmental activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

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

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

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

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

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

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

The following fund types are used by the District:

1. Governmental Funds:

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

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

D. BASIS OF ACCOUNTING

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

1. Accrual:

Government-wide financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

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

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

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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

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

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

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

2. Investments:

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

3. Fund Balances – Governmental Funds

Washington Township School District elected to implement GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted – includes amounts restricted by external sources (creditors, laws of other governments, ect.) or by constitutional provision or enabling legislation.
- Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

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

- Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

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

4. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue based on GASBS No. 33. In applying GASBS No. 33 to grant revenues, the provider recognizes liabilities and expenses, and recipient recognizes receivables and revenue when the applicable eligibility requirements, including requirements are met are reported as advances by the provider and deferred revenue by the recipient.

5. Expenditures:

Expenses are recognized when the related fund liability is incurred.

6. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. No material transfers were made during the fiscal year.

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

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

7. Encumbrances:

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

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.

8. Tuition Payable

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

9. Use of Estimates

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

10. Pension

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

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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

In April 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 99, "Omnibus 2022". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 100, "Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62". This statement, which is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

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

NOTE 2 - INVESTMENTS

As of June 30, 2023, the district had no investments.

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

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

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

NOTE 3 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2023, \$0 of the government's bank balance of \$842,768.76 was exposed to custodial credit risk.

NOTE 4 - PENSION PLANS

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <https://www.nj.gov/treasury/omb/publications/221fr/NJFRFY2022Complete.pdf>.

Teachers' Pension and Annuity Fund

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

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

Public Employees' Retirement System

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

Funding Policy

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF. The School District's contributions to TPAF for the years ending June 30, 2023, 2022 and 2021 were \$0, \$0 and \$0 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2023, 2022 and 2021 were \$0, \$0, and \$0 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2023, 2022 and 2021, the State of New Jersey contributed \$0, \$0, and \$0, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$0, \$0, and \$0 during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

NOTE 5 - PENSION LIABILITIES – PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

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

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

Public Employees' Retirement System

The District has a liability of \$0 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 that was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion is 0%, which is no change from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the District recognized negative pension expense of \$26,626. At December 31, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected & actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion	8,422	(19,073)
Total	\$ 8,422	\$ (19,073)

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

Year ended June 30,	
2024	\$ (9,736)
2025	(3,586)
2026	(252)
2027	2,945
2028	(23)
Total	\$ (10,651)

Actuarial Assumptions

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

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

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

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

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

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

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

Discount Rate

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

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

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

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipality's proportionate share of the net pension liability	\$ -	\$ -	\$ -

Pension plan fiduciary net position.

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

NOTE 6 – OTHER POST RETIREMENT BENEFITS

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan:

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be reported on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contributions. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASBE Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent, from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: <https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

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

Total OPEB Liability

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

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

Salary Increases

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

Mortality Rates

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

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

Health Care Trend Assumptions

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

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

Discount Rate

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

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

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

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

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

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

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

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

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

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

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

For the year ended June 30, 2022, the board of education recognized OPEB expense of (\$288,655.00) determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

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

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

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

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

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

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

NOTE 7 – FUND BALANCE APPROPRIATED

General Fund – Of the \$841,600.96 General Fund balance at June 30, 2023, \$41,909.55 is reserved for encumbrances; \$469,629.41 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$193,969.45 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2024); \$0 has been appropriated and also included as anticipated revenue for the year ending June 30, 2024; and \$330,062.00 is unassigned.

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

NOTE 8 – CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$469,629.41 of which \$193,969.45 has been appropriated and included as anticipated revenue for the year ending June 30, 2024.

NOTE 9 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year ended June 30, 2023, the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

Property and Liability Insurance – The district maintains commercial insurance coverage for property and liability insurance. As a non-operating district, the only assets for coverage purposes are those in the office of the Board Secretary.

NOTE 10 – LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

NOTE 11 – SUBSEQUENT EVENTS

The District has evaluated events through December 2, 2023, the date which the financial statements were available to be issued and no additional items were noted for disclosure.

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Required Supplemental Information
Part II

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BUDGETARY COMPARISON SCHEDULES

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Washington Township School District
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Under/(Over) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 846,095.00		846,095.00	846,095.00	-
Tuition from LEAs within the State			-	-	-
Miscellaneous	2,000.00		2,000.00	19,920.81	17,920.81
Total - Local Sources	848,095.00	-	848,095.00	866,015.81	17,920.81
State Sources:					
Transportation Aid	83,884.00		83,884.00	83,884.00	-
Special Education Aid	52,560.00		52,560.00	52,560.00	-
Equalization Aid	57,259.00		57,259.00	57,259.00	-
Security Aid	9,777.00		9,777.00	9,777.00	-
Adjustment Aid			-	-	-
Supplemental Stabilization Aid		36,932.00	36,932.00	36,932.00	-
Extraordinary Aid			-	79,438.00	79,438.00
Non-Public Transportation Aid				624.00	624.00
Total - State Sources	203,480.00	36,932.00	240,412.00	320,474.00	80,062.00
Total Revenues	1,051,575.00	36,932.00	1,088,507.00	1,186,489.81	97,982.81
EXPENDITURES:					
Current Expense:					
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	1,014,360.00	6,644.50	1,021,004.50	1,021,004.50	-
Tuition to Other LEAs Within the State - Special	96,222.00	416.00	96,638.00	96,638.00	-
Tuition to County Voc. School Dist. - Regular	4,000.00	10,763.00	14,763.00	10,763.00	4,000.00
Tuition to CSSD & Reg. Day Schools	100,018.00	2,736.00	102,754.00	99,484.00	3,270.00
Tuition to Private School for Disabled within State		32,093.48	32,093.48	32,093.48	-
Total Undistributed Expenditures - Instruction	1,214,600.00	52,652.98	1,267,252.98	1,259,982.98	7,270.00
Undistributed Expenditures - Speech, OT, PT and Related Services					
Purchased Professional - Educational Services	1,900.00	(1,742.00)	158.00		158.00
Total Undistributed Expenditures - Speech, OT, PT and Related Services	1,900.00	(1,742.00)	158.00	-	158.00
Undistributed Expenditures - Child Study Team					
Purchased Professional - Educational Services	149,495.00	-	149,495.00	128,334.20	21,160.80
Total Undistributed Expenditures - Child Study Team	149,495.00	-	149,495.00	128,334.20	21,160.80

Washington Township School District
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

Undistributed Expenditures - Support Services - Gen. Admin.:							
Legal Services	8,000.00	(7,929.00)	71.00			71.00	
Audit Fees	9,200.00	800.00	10,000.00		9,000.00	1,000.00	
Other Purchased Professional Services	8,289.00	7,929.00	16,218.00		14,523.00	1,695.00	
Communications/Telephone	200.00	-	200.00		200.00	200.00	
Misc. Purchased Services	900.00	-	900.00		649.80	250.20	
Miscellaneous Expenditures	3,900.00	-	3,900.00		3,344.60	555.40	
BOE Membership Dues and Fees	2,000.00	-	2,000.00		1,883.16	116.84	
Total Undistributed Expenditures - Support Services - Gen. Admin.	32,489.00	800.00	33,289.00		29,400.56	3,888.44	
Undistributed Expenditures - Central Services:							
Purchased Professional Services	88,445.00	(711.00)	87,734.00		57,562.00	30,172.00	
Supplies and Materials	1,500.00	-	1,500.00			1,500.00	
Miscellaneous Expenditures	200.00	-	200.00			200.00	
Total Undistributed Expenditures - Central Services	90,145.00	(711.00)	89,434.00		57,562.00	31,872.00	
Undistributed Expenditures - Admin. Info Technology Purchased Technical Services	10,110.00	-	10,110.00		9,474.00	636.00	
Total Undistributed Expenditures - Admin. Info Technology	10,110.00	-	10,110.00		9,474.00	636.00	
Undistributed Expenditures - Custodial Services Insurance	4,000.00	-	4,000.00		3,570.00	430.00	
Total Undistributed Expenditures - Custodial Services	4,000.00	-	4,000.00		3,570.00	430.00	
Total Undistributed Expenditures - Maintenance of School Facilities	4,000.00	-	4,000.00		3,570.00	430.00	
Undistributed Expenditures - Student Transportation Services:							
Management Fee - ESC & CTSA Trans. Program	17,300.00	-	17,300.00		13,004.44	4,295.56	
Contracted Services - (Between Home and School) - Joint Agreements	419,497.00	(58,429.58)	361,067.42		195,190.52	165,876.90	
Contracted Services - (Special Ed Students) - Joint Agreements	69,253.00	6,429.60	75,682.60		75,682.60	-	
Contracted Services - Aid in Lieu of Payments - Non-Public	4,000.00	1,000.00	5,000.00		4,066.00	934.00	
Other Purchased Professional Services							
Total Undistributed Expenditures - Student Transportation Serv.	510,050.00	(50,999.98)	459,050.02		287,943.56	171,106.46	

Washington Township School District Budgetary Comparison Schedule General Fund For the Fiscal Year Ended June 30, 2023			
Total Undistributed Expenditures	2,012,789.00	(0.00)	2,012,789.00
Total Expenditures - Current Expense	2,012,789.00	(0.00)	2,012,789.00
Capital Outlay:			
Facilities Acquisition and Construction Services	18,840.00	-	18,840.00
Assessment for Debt Service on SDA Funding	18,840.00	-	18,840.00
Total Facilities Acquisition and Construction Services	18,840.00	-	18,840.00
Total Capital Outlay	18,840.00	-	18,840.00
Transfer to Charter Schools	-	-	-
Total Expenditures	2,031,629.00	(0.00)	2,031,629.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	(980,054.00)	36,932.00	(943,122.00)
Other Financing Sources:			
Operating Transfers In(Out)	-	-	-
Cancellation of Fund 20 Balances	-	-	-
Total Other Financing Sources	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses):	(980,054.00)	36,932.00	(943,122.00)
Fund Balances, July 1	1,450,218.45	-	1,450,218.45
Fund Balances, June 30	\$ 470,164.45	36,932.00	507,096.45
Recapitulation:			
Restricted Fund Balance:			
Restricted Fund Balance - Excess Surplus		275,659.96	
Restricted Fund Balance - Excess Surplus - Designated for Subsequent Year's Expenditures		193,969.45	
Assigned Fund Balance:			
Legally Assigned - Designated for subsequent year's expenditures		-	
Reserve for Encumbrances		41,909.55	
Unassigned Fund Balance		330,062.00	
		841,600.96	
Reconciliation to Governmental Funds Statements (GAAP)		(20,346.00)	
Last State Aid payment not recognized on GAAP basis		821,254.96	
Fund Balance per Governmental Funds (GAAP)		334,504.51	

Washington Township School District
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
State Sources	\$ -	82,260.00	82,260.00	82,260.00	-
Total Revenues	-	82,260.00	82,260.00	82,260.00	-
EXPENDITURES:					
Instruction:					
Tuition	-	82,260.00	82,260.00	82,260.00	-
Total Instruction	-	82,260.00	82,260.00	82,260.00	-
Total Outflows	-	82,260.00	82,260.00	82,260.00	-
Excess (Deficiency) of Revenues Over (Under Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-

**Washington Township School District
Required Supplementary Information
Budgetary Comparison Schedule
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2023**

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

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 1,186,489.81	\$ 82,260.00
Difference - budget to GAAP:		
Receipt of prior year final state aid payment	25,183.00	-
Deferral of final state aid payment	(20,346.00)	(20,567.00)
	<u>1,191,326.81</u>	<u>61,693.00</u>
Total revenues reported on the statement of revenues, expenditures and changes in fund balances - governmental funds		
	<u>1,191,326.81</u>	<u>61,693.00</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	1,795,107.30	82,260.00
No differences - budget to GAAP:		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 1,795,107.30</u>	<u>\$ 82,260.00</u>

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Required Supplemental Information
Part III

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Washington Township School District
 Schedule of District Contributions
 Public Employee Retirement System
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.0000000000%	0.0000000000%	0.0000000000%	0.0000000000%	0.0003625298%	0.0000288215%	0.1297972200%	0.1290286100%	0.1575840300%	0.1470511000%
District's proportionate of the net pension liability (asset)	\$ -	-	-	-	71,380.00	6,709.00	384,422.00	289,643.00	295,040.00	281,044.00
District's covered payroll	-	-	-	-	-	-	92,230.00	77,788.00	89,007.00	103,553.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	416.81%	372.35%	331.48%	271.40%
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

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

Washington Township School District
 Schedule of District Contributions
 Public Employee Retirement System
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Contractually required contribution	\$ -	-	-	-	3,606	267.00	11,674.00	11,531.00	11,093.00	12,991.00
Contributions in relation to the contractually required contribution	-	-	-	-	3,606	267.00	11,674.00	11,531.00	11,093.00	12,991.00
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered-employee payroll	\$ -	\$ -	-	-	-	-	92,230.00	77,788.00	89,007.00	103,553.00
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	12.66%	14.82%	12.46%	12.55%

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

Washington Township School District
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund
 Last Ten Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	-	-	-	-	-	-	-	-	-
State's proportionate share of the net pension liability (asset) associated with the District	-	-	-	-	520,827.00	2,022,520.00	2,047,889.00	1,625,477.00	1,822,623.00	2,960,572.00
Total	-	-	-	-	520,827.00	2,022,520.00	2,047,889.00	1,625,477.00	1,822,623.00	2,960,572.00
District's covered payroll	-	-	-	-	-	-	280,814.00	272,465.00	264,280.00	N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

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

Washington Township School District
Schedule of the District's Proportionate Share of the Net OPEB Liability
Public Employee Retirement System and Teachers' Pension and Annuity Fund
Last Seven Fiscal Years

	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net OPEB liability (asset)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's proportionate of the net OPEB liability (asset)	\$ -	-	-	0.00	-	-	-
State's proportionate share of the net OPEB liability (asset) associated with the District	1,990,339.00	2,641,366.00	3,070,415.00	2,244,879.00	2,678,464.00	4,024,517.00	-
Total	\$ 1,990,339.00	\$ 2,641,366.00	3,070,415.00	2,244,879.00	2,678,464.00	4,024,517.00	-
District's covered payroll	-	-	-	-	-	-	-
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's proportionate share of OPEB associated with the District:							
Service Cost	-	-	6,342.00	7,838.00	36,504.00	43,974.00	
Interest Cost	52,746.00	68,520.00	77,893.00	102,678.00	144,158.00	126,583.00	
Change in Benefit Terms	-	(2,811.00)					
Differences between Expected & Actual	(119,276.00)	(445,142.00)	232,275.00	(510,704.00)	(1,150,202.00)	-	
Changes in Assumptions	(533,926.00)	2,606.00	560,859.00	33,471.00	(307,367.00)	(498,374.00)	
Member Contributions	1,676.00	1,752.00	1,620.00	2,043.00	2,475.00	3,432.00	
Benefit Payments	(52,247.00)	(53,974.00)	(53,453.00)	(68,911.00)	(71,621.00)	(93,216.00)	
Change in Total Opeb Liability	(651,027.00)	(429,049.00)	825,536.00	(433,585.00)	(1,346,053.00)	(417,601.00)	
State's proportionate share of the net OPEB liability (asset) associated with the District - Beginning Balance	2,641,366.00	3,070,415.00	2,244,879.00	2,678,464.00	4,024,517.00	4,442,118.00	
Ending Balance	\$ 1,990,339.00	\$ 2,641,366.00	3,070,415.00	2,244,879.00	2,678,464.00	4,024,517.00	
State's proportionate share of the net OPEB liability associated with the District - as a percentage of its covered-employee payroll	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	

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

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

Other Supplementary Information

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SPECIAL REVENUE FUND

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**Washington Township School District
Special Revenue Fund
Combining Schedule of Revenue and Expenditures
Budgetary Basis
For the Fiscal Year Ended June 30, 2023**

	<u>Preschool Education Aid</u>	<u>Total State</u>	<u>Total</u>
REVENUES:			
State Sources	82,260.00	82,260.00	82,260.00
Total revenues	<u>82,260.00</u>	<u>82,260.00</u>	<u>82,260.00</u>
EXPENDITURES			
Instruction:			
Tuition	82,260.00	82,260.00	82,260.00
Total instruction	<u>82,260.00</u>	<u>82,260.00</u>	<u>82,260.00</u>
Total expenditures	<u>82,260.00</u>	<u>82,260.00</u>	<u>82,260.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>

**Washington Township School District
Special Revenue Fund
Preschool Education Aid
Budgetary Basis
For the Fiscal Year Ended June 30, 2023**

	Total		
	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Tuition	\$ 82,260.00	\$ 82,260.00	\$ -
Total Instruction	82,260.00	82,260.00	-
Total Expenditures	\$ 82,260.00	\$ 82,260.00	\$ -

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2022-23 Preschool Aid Allocation	\$	82,260.00
Adjustments		-
Add: Actual ECPA Carryover June 30, 2022		-
Add: Budgeted Transfer from the General Fund		-
Total Preschool Education Aid Funds Available for 2022-23 Budget		82,260.00
Less: 2022-23 Budgeted Preschool Education Aid		(82,260.00)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2023		-
Add: June 30, 2023 Unexpended Preschool Education Aid		-
2022-23 Actual Carryover - Preschool Education Aid	\$	-
2022-23 Preschool Education Aid Carryover Budgeted for 2023-24	\$	-

Statistical Section

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Washington Township School District
Net Position by Component,
Last Ten Fiscal Years
Unaudited

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net Investment in Capital Assets										
Restricted	\$ 4,160,818.00	4,028,463.00	3,898,255.00	3,733,708.00	-	1,490,815.00	1,425,927.66	1,635,528.17	1,174,023.45	469,629.41
Unrestricted	642,441.00	436,899.00	413,958.00	597,605.00	1,115,412.00	5,628.59	227,553.37	166,945.15	213,735.00	320,407.55
Total governmental activities net position	168,950.00	(117,966.00)	(110,606.00)	(101,742.00)	(16,682.00)	1,496,443.59	1,653,481.03	1,802,473.32	1,387,758.45	790,036.96
	4,972,209.00	4,347,406.00	4,207,605.00	4,229,571.00	1,088,730.00	1,496,443.59	1,653,481.03	1,802,473.32	1,387,758.45	790,036.96
Business-Type Activities										
Net Investment in Capital Assets	18,784.00	15,314.00	12,474.00	7,195.00	-	-	-	-	-	-
Unrestricted	3,381.00	2,282.00	(2,092.00)	-	-	-	-	-	-	-
Total governmental activities net position	22,165.00	17,596.00	10,382.00	7,195.00	-	-	-	-	-	-
District-wide										
Net Investment in Capital Assets	4,179,602.00	4,043,777.00	3,910,729.00	3,740,903.00	-	1,490,815.00	1,425,927.66	1,635,528.17	1,174,023.45	469,629.41
Restricted	642,441.00	436,899.00	413,958.00	597,605.00	1,115,412.00	5,628.59	227,553.37	166,945.15	213,735.00	320,407.55
Unrestricted	172,331.00	(115,674.00)	(112,700.00)	(101,742.00)	(16,682.00)	1,496,443.59	1,653,481.03	1,802,473.32	1,387,758.45	790,036.96
Total district net position	\$ 4,994,374.00	4,365,002.00	4,211,987.00	4,236,766.00	1,088,730.00	1,496,443.59	1,653,481.03	1,802,473.32	1,387,758.45	790,036.96

Source: ACFR Schedule A-1

**Washington Township School District
Changes in Net Position, Last Ten Fiscal Years
Unaudited**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction:										
Regular	\$ 405,073.00	368,645.00	327,184.00	27,464.00	-	-	-	-	-	-
Special Education	42,698.00	44,655.00	51,526.00	-	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	836,390.00	1,069,536.00	1,089,208.00	1,289,114.00	1,008,109.00	847,758.40	1,022,769.40	879,670.90	1,252,920.10	1,259,982.98
Student & instruction related services	131,753.00	144,543.00	148,606.00	11,510.00	10,355.00	17,857.54	(8,642.96)	(3,040.88)	8,987.00	128,334.20
General & Business Administrative Services	35,332.00	34,307.00	38,856.00	42,419.00	36,622.00	(10,836.65)	(31,482.20)	(23,057.59)	(50,924.70)	(76,835.61)
School Administrative Services	12,280.00	12,200.00	12,200.00	-	-	-	-	-	-	-
Central Services	17,024.00	17,991.00	17,800.00	11,178.00	56,548.00	(30,706.18)	(104,263.90)	(70,148.20)	(115,598.48)	(150,432.88)
Administrative Information Technology	10,704.00	10,885.00	9,800.00	5,000.00	13,483.00	13,871.00	13,642.00	14,109.00	10,784.50	8,424.05
Plant Operations and Maintenance	166,925.00	167,089.00	177,569.00	146,685.00	95,640.00	1,753.94	1,148.19	834.27	1,324.52	3,570.00
Pupil transportation	136,001.00	136,645.00	162,500.00	189,506.00	152,369.00	199,011.98	161,284.56	271,643.37	278,979.21	287,943.56
Employee Benefits	163,123.00	254,451.00	253,792.00	209,230.00	191,133.00	-	-	-	-	-
Unallocated Increase in Compensated Absences	-	-	-	-	-	-	-	-	-	-
Unallocated Depreciation and Amortization	136,448.00	135,605.00	135,605.00	159,150.00	43,888.00	18,840.00	18,840.00	18,840.00	18,840.00	18,840.00
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Transfer to Charter Schools	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	<u>2,093,751.00</u>	<u>2,396,552.00</u>	<u>2,424,746.00</u>	<u>2,091,256.00</u>	<u>1,608,157.00</u>	<u>1,057,550.03</u>	<u>1,073,315.09</u>	<u>1,088,850.87</u>	<u>1,405,312.15</u>	<u>1,479,826.30</u>
Business-Type Activities										
Food Service	18,447.00	19,475.00	20,402.00	5,279.00	7,195.00	-	-	-	-	-
Total Business-Type Activities	<u>18,447.00</u>	<u>19,475.00</u>	<u>20,402.00</u>	<u>5,279.00</u>	<u>7,195.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district expenses	<u>2,112,198.00</u>	<u>2,416,027.00</u>	<u>2,445,148.00</u>	<u>2,096,535.00</u>	<u>1,615,352.00</u>	<u>1,057,550.03</u>	<u>1,073,315.09</u>	<u>1,088,850.87</u>	<u>1,405,312.15</u>	<u>1,479,826.30</u>
Program Revenues										
Governmental activities										
Operating grants and contributions	203,340.00	174,141.00	163,405.00	188,667.00	248,712.00	(61,453.99)	(175,360.00)	(120,223.00)	(195,102.00)	(226,962.00)
Total governmental activities program revenues	<u>203,340.00</u>	<u>174,141.00</u>	<u>163,405.00</u>	<u>188,667.00</u>	<u>248,712.00</u>	<u>(61,453.99)</u>	<u>(175,360.00)</u>	<u>(120,223.00)</u>	<u>(195,102.00)</u>	<u>(226,962.00)</u>
Business-Type Activities										
Charged for Services:										
Food Service	5,188.00	7,864.00	6,527.00	2,092.00	-	-	-	-	-	-
Operating grants and Contributions	7,422.00	7,042.00	6,561.00	-	-	-	-	-	-	-
Total Business-Type Activities Program Revenues	<u>12,610.00</u>	<u>14,906.00</u>	<u>13,188.00</u>	<u>2,092.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District Program Revenues	<u>215,950.00</u>	<u>189,047.00</u>	<u>176,593.00</u>	<u>190,759.00</u>	<u>248,712.00</u>	<u>(61,453.99)</u>	<u>(175,360.00)</u>	<u>(120,223.00)</u>	<u>(195,102.00)</u>	<u>(226,962.00)</u>

Net (Expense)/Revenue												
Governmental activities	(1,890,411.00)	(2,222,411.00)	(2,261,341.00)	(1,902,589.00)	(1,359,445.00)	(1,119,004.02)	(1,248,675.09)	(1,209,073.87)	(1,600,414.15)	(1,706,788.30)		
Business-type activities	(5,837.00)	(4,569.00)	(7,214.00)	(3,187.00)	(7,195.00)							
Total district-wide net expense	<u>(1,896,248.00)</u>	<u>(2,226,980.00)</u>	<u>(2,268,555.00)</u>	<u>(1,905,776.00)</u>	<u>(1,366,640.00)</u>	<u>(1,119,004.02)</u>	<u>(1,248,675.09)</u>	<u>(1,209,073.87)</u>	<u>(1,600,414.15)</u>	<u>(1,706,788.30)</u>		
General Revenues and Other Changes in Net Position												
Governmental activities:												
Property taxes levied for general purposes, net	1,206,765.00	1,226,145.00	1,420,963.00	1,235,154.00	1,235,154.00	865,303.00	829,505.00	829,505.00	829,505.00	829,505.00	846,095.00	
Unrestricted grants and contributions	580,956.00	652,003.00	693,750.00	682,541.00	674,448.00	635,468.00	559,814.00	472,143.00	351,490.00	351,490.00	325,311.00	
Investment earnings	-	-	-	-	-	-	-	-	-	-	-	
Miscellaneous income	6,924.00	504.00	827.00	12,860.00	17,565.00	15,946.61	16,393.53	54,529.57	1,957.28	1,957.28	19,920.81	
Special items:												
Loss on Sale of Building & Equipment	-	-	-	-	(3,689,810.00)							
Return of Contribution from Township	-	-	-	-	(9,503.00)							
Transfers	-	-	-	-	730.00							
Total governmental activities	<u>1,794,645.00</u>	<u>1,878,652.00</u>	<u>2,115,540.00</u>	<u>1,930,555.00</u>	<u>(1,771,386.00)</u>	<u>1,516,717.61</u>	<u>1,405,712.53</u>	<u>1,356,177.57</u>	<u>1,182,952.28</u>	<u>1,182,952.28</u>	<u>1,191,326.81</u>	
Business-type activities												
Miscellaneous Income	-	-	-	-	730.00							
Transfers	-	-	-	-	(730.00)							
Total Business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total district-wide	<u>1,794,645.00</u>	<u>1,878,652.00</u>	<u>2,115,540.00</u>	<u>1,930,555.00</u>	<u>(1,771,386.00)</u>	<u>1,516,717.61</u>	<u>1,405,712.53</u>	<u>1,356,177.57</u>	<u>1,182,952.28</u>	<u>1,182,952.28</u>	<u>1,191,326.81</u>	
Change in Net Position												
Governmental activities	(95,766.00)	(343,759.00)	(145,801.00)	27,966.00	(3,130,841.00)	397,713.59	157,037.44	147,103.70	(417,461.87)	(417,461.87)	(515,461.49)	
Business-type activities	(5,837.00)	(4,569.00)	(7,214.00)	(3,187.00)	(7,195.00)	-	-	-	-	-	-	
Total district	<u>\$ (101,603.00)</u>	<u>(348,328.00)</u>	<u>(153,015.00)</u>	<u>(24,799.00)</u>	<u>(3,138,036.00)</u>	<u>397,713.59</u>	<u>157,037.44</u>	<u>147,103.70</u>	<u>(417,461.87)</u>	<u>(417,461.87)</u>	<u>(515,461.49)</u>	

Source: ACFR Schedule A-2

**Washington Township School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
Unaudited**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ 371,794.00	279,974.00	395,030.00	575,488.00	1,115,412.00	1,476,918.00	1,409,430.66	1,615,058.83	1,145,200.62	469,629.41
Assigned	261,144.00	147,422.00	9,425.00	12,614.00	29,996.00	13,897.00	16,497.00	20,469.34	28,822.83	-
Unassigned	190,069.00	193,447.00	196,239.00	204,982.00	203,560.00	212,883.59	223,392.00	241,510.00	251,012.00	309,716.00
Reserved										
Unreserved										
Total general fund	<u>823,007.00</u>	<u>620,843.00</u>	<u>600,694.00</u>	<u>793,084.00</u>	<u>1,348,968.00</u>	<u>1,703,698.59</u>	<u>1,649,319.66</u>	<u>1,877,038.17</u>	<u>1,425,035.45</u>	<u>779,345.41</u>
All Other Governmental Funds:										
Reserved										
Unreserved, Reported In:										
Capital Projects Fund										
Restricted for:										
Capital Projects Fund	9,503.00	9,503.00	9,503.00	9,503.00	-					
Total All Other Governmental Funds	<u>\$ 9,503.00</u>	<u>9,503.00</u>	<u>9,503.00</u>	<u>9,503.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Source: ACFR Schedule B-1

Washington Township School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
Unaudited

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax levy	\$ 1,206,765.00	1,226,145.00	1,420,963.00	1,235,154.00	1,235,154.00	865,303.00	829,505.00	829,505.00	829,505.00	846,095.00
Miscellaneous	6,924.00	504.00	827.00	12,860.00	17,585.00	15,946.61	16,393.53	52,731.06	1,957.28	19,920.81
Local sources		1,185.00	1,688.00	2,600.00	2,393.00					
State sources	723,310.00	708,715.00	760,754.00	744,483.00	694,772.00	635,468.00	559,814.00	472,143.00	351,490.00	325,311.00
Federal sources	60,986.00	32,074.00	41,124.00	3,996.00						
Total revenue	<u>1,987,985.00</u>	<u>1,968,623.00</u>	<u>2,225,356.00</u>	<u>1,999,093.00</u>	<u>1,949,904.00</u>	<u>1,516,717.61</u>	<u>1,405,712.53</u>	<u>1,354,379.06</u>	<u>1,182,952.28</u>	<u>1,191,326.81</u>
Expenditures										
Instruction:										
Regular	405,073.00	368,645.00	327,184.00	27,464.00	-	-	-	-	-	-
Special Educator	42,698.00	44,655.00	51,526.00	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	836,390.00	1,069,536.00	1,089,208.00	1,289,114.00	1,008,109.00	847,758.40	1,022,769.40	879,670.90	1,252,920.10	1,259,982.98
Student & instruction related services	131,753.00	144,543.00	148,606.00	11,510.00	10,355.00	8,800.00	5,125.00	5,753.00	8,987.00	128,334.20
General & Business Administration Services	35,332.00	34,307.00	38,856.00	42,419.00	36,622.00	18,129.26	19,112.71	17,728.01	24,150.34	29,400.56
School Administrative Services	12,280.00	12,200.00	12,200.00	-	-	-	-	-	-	-
Central Services	17,024.00	17,991.00	17,900.00	11,178.00	56,548.00	51,367.88	63,338.42	53,934.00	54,821.00	57,562.00
Administrative Information Technology	10,704.00	10,885.00	9,800.00	5,000.00	13,483.00	13,871.00	13,642.00	14,109.00	10,784.50	9,474.00
Plant Operations and Maintenance	167,607.00	148,249.00	158,729.00	127,845.00	76,800.00	4,208.50	3,660.00	3,660.00	3,660.00	3,570.00
Pupil transportation	136,001.00	136,645.00	162,500.00	189,506.00	152,369.00	199,011.98	161,284.56	271,643.37	278,979.21	287,943.56
Unallocated Benefits	162,143.00	161,041.00	210,156.00	83,827.00	1,300.00	-	-	-	-	-
On-Behalf TPAF Pension & Social Security					20,324.00	-	-	-	-	-
Capital Outlay	18,840.00	22,090.00	18,840.00	18,840.00	18,840.00	18,840.00	18,840.00	18,840.00	18,840.00	18,840.00
Charter Schools										
Total expenditures	<u>1,975,845.00</u>	<u>2,170,787.00</u>	<u>2,245,505.00</u>	<u>1,806,703.00</u>	<u>1,394,750.00</u>	<u>1,161,987.02</u>	<u>1,307,772.09</u>	<u>1,265,338.28</u>	<u>1,653,142.15</u>	<u>1,795,107.30</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>22,140.00</u>	<u>(202,164.00)</u>	<u>(20,149.00)</u>	<u>192,390.00</u>	<u>555,154.00</u>	<u>354,730.59</u>	<u>97,940.44</u>	<u>89,040.78</u>	<u>(470,189.87)</u>	<u>(603,780.49)</u>
Other Financing sources (uses)										
Transfers In/(Out)	-	-	-	-	730.00	-	-	-	-	-
Return of Contribution from Township	-	-	-	-	(9,503.00)	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,773.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 22,140.00</u>	<u>(202,164.00)</u>	<u>(20,149.00)</u>	<u>192,390.00</u>	<u>546,381.00</u>	<u>354,730.59</u>	<u>97,940.44</u>	<u>89,040.78</u>	<u>(470,189.87)</u>	<u>(603,780.49)</u>

Source: ACFR Schedule B-2

Washington Township School District
General Fund Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Interest on Investments	Donations	Misc.	Total
2014	-	-	6,924.00	6,924.00
2015	-	-	504.00	504.00
2016	-	-	827.00	827.00
2017	-	-	12,860.00	12,860.00
2018	2,745.00	-	14,840.00	17,585.00
2019	14,080.00	-	1,866.00	15,946.00
2020	14,322.06	-	2,071.85	16,393.91
2021	2,921.06	-	49,810.00	52,731.06
2022	1,957.28	-	-	1,957.28
2023	12,835.98	-	7,084.83	19,920.81

Source: District Records

**Washington Township School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Q/farm	Commercial	Industrial	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities a	Net Valuation Taxable	Total Direct School Tax Rate b	Estimated Actual (County Equalized Value)
2014	3,331,200	68,504,600	8,059,400	1,692,400	12,580,400	1,715,000	95,883,000		259,541	96,142,541	1.126	
2015	3,293,700	68,814,800	7,989,000	1,692,400	12,580,400	1,715,000	96,085,300		265,655	96,350,955	1.231	
2016	3,453,300	68,521,600	7,989,000	1,692,400	12,580,400	1,715,000	95,951,700	100		95,951,800	1.342	
2017	3,652,000	69,041,300	6,673,000	1,692,400	12,580,400	1,715,000	95,354,100	100		95,354,200	1.295	90,074,325
2018	3,571,400	68,680,150	6,706,200	1,692,400	12,580,400	1,715,000	94,945,550	100		94,945,650	1.080	92,227,361
2019	3,230,100	68,998,800	6,746,900	1,702,400	12,280,400	1,715,000	94,673,600	100		94,673,700	0.869	90,833,611
2020	3,197,300	69,526,200	6,671,900	1,744,200	12,180,400	1,715,000	95,035,000	94		95,035,094	0.847	102,397,488
2021	3,217,300	69,311,700	6,818,000	1,725,000	12,180,400	1,715,000	94,967,400	89		94,967,489	0.847	108,764,454
2022	3,208,300	69,688,500	6,782,500	2,192,900	12,180,400	1,715,000	95,767,600	85		95,767,685	1.279	114,083,283
2023	3,208,300	69,688,500	6,782,500	2,192,900	12,180,400	1,715,000	95,767,600	85		95,767,685	0.831	114,083,283

Source: District records Tax list summary & Municipal Tax Assessor.

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

Washington Township School District
Direct and Overlapping Property Tax Rates
Rate per \$100 of Assessed Value
Last Ten Calendar Years
Unaudited

Fiscal Year Ended June 30,	Washington Township School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate a	General		Township of Washington	Burlington County	
		Obligation Debt Service b	Total Direct			
2014	1.126		1.126		0.383	1.509
2015	1.231		1.231		0.777	2.008
2016	1.342		1.342		0.397	1.739
2017	1.295		1.295		0.384	1.679
2018	1.080		1.080		0.389	1.469
2019	0.869		0.869		0.382	1.251
2020	0.847		0.847		0.425	1.272
2021	0.847		0.847		0.449	1.296
2022	0.831		0.831		0.448	1.279
2023	0.831		0.831		0.448	1.279

Source: District Records and Municipal Tax Collector

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

- a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- b** Rates for debt service are based on each year's requirements.

**Washington Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago
*Unaudited***

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
M&T Family Holdings LLC	4,140,500	1	4.3235%			
EFRV LLC	3,935,000	2	4.1089%			
Pine Island Cranberry Co Inc	3,898,600	3	4.0709%			
Lippincott & Worth, Inc	1,365,100	4	1.4254%			
Taxpayer #1	1,290,000	5	1.3470%			
Pine Island Cranberry Co Inc	1,020,700	6	1.0658%			
Pacemaker Properties	1,015,000	7	1.0599%			
Taxpayer #2	741,900	8	0.7747%			
Vision Properties, Lower Bank	675,000	9	0.7048%			
Taxpayer #3	597,600	10	0.6240%			
					Information not available	
Total	18,679,400		19.505%	-		0.000%

Source: District ACFR & Municipal Tax Assessor

95,767,685

Washington Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	1,206,765.00	1,206,765.00	100%	
2015	1,226,145.00	1,226,145.00	100%	
2016	1,420,963.00	1,420,963.00	100%	
2017	1,235,154.00	1,235,154.00	100%	
2018	1,235,154.00	1,235,154.00	100%	
2019	865,303.00	793,194.38	92%	72,108.62
2020	829,505.00	829,505.00	100%	
2021	829,505.00	829,505.00	100%	
2022	829,505.00	829,505.00	100%	
2023	846,095.00	846,095.00	100%	

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

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

**Washington Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited**

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

Not applicable - the district does not have any debt

Washington Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

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

Not applicable - the district does not have any debt

Washington Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2023
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Washington Township	-	100.000%	-
Other debt			
County of Burlington	161,356,421	0.21%	343,366
Subtotal, overlapping debt			343,366
Washington Township School District			-
Total direct and overlapping debt			343,366

Sources: Township of Washington Finance Officer, Burlington County Finance Office

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

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

Washington Township School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2022

	2014	2015	2016	2017	2018	2019*	2020	2021	2022	2023
Debt limit	4,106,488.00	4,023,519.00	3,694,979.00	2,765,981.00	2,726,231.00	-	2,811,558.39	2,967,302.55	3,182,839.53	3,325,394.34
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	4,106,488.00	4,023,519.00	3,694,979.00	2,765,981.00	2,726,231.00	-	2,811,558.39	2,967,302.55	3,182,839.53	3,325,394.34
Total net debt applicable to the limit as a percentage of debt limit										
* 2019 information not available										

	2020	2021	2022	2023
Equalized valuation basis	106,901,012.00	111,124,971.00	114,513,452.00	332,539,435.00
[A]	110,846,478.00			
[A/3]				
Debt limit (3 % of average equalization)	3,325,394.34			
[B]				
Net bonded school debt	-			
[C]				
[B-C]	3,325,394.34			

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

* 2019 information not available

Not applicable - the district does not have any debt

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

a The district is non-operating and does not have an applicable debt allowance.

Washington Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population a	Personal Income (thousands of dollars) b	Per Capita Personal Income c	Unemployment Rate d
2014	673	35,563,339	52,843	5.70%
2015	673	37,251,223	55,351	7.60%
2016	671	38,120,852	56,812	6.70%
2017	692	38,933,304	56,262	6.20%
2018	706	40,808,212	57,802	6.20%
2019	709	42,106,801	59,389	5.80%
2020	711	44,167,320	62,120	4.60%
2021	712	45,286,760	63,605	9.50%
2022	691	46,403,414	67,154	6.70%
2023	699	48,577,704	69,496	4.90%

Source:

a Population information provided by the NJ Dept of Labor and Workforce Development -

b Personal income provided by the US Dept. of Commerce, Bureau of Economic Analysis.

c Per Capita information provided by the US Dept. of Commerce, Bureau of Economic Analysis -

d Unemployment data provided by the NJ Dept of Labor and Workforce Development

Washington Township School District
Principal Employers,
Current Year and Nine Years Ago
Unaudited

Employer	2023			2014		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
		1				
		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
		10				
	-			-		-

Information is not available

**Washington Township School District
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited**

<u>Function/Program</u>	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Regular	4.47	4.47	4.47	-	-	-	-	-	-	-
Special education	0.68	0.68	0.68	-	-	-	-	-	-	-
Support Services:										
Student & instruction related services	0.96	1.00	1.00	-	-	-	-	-	-	-
General administrative services	0.50	0.50	0.50	-	-	-	-	-	-	-
School administrative services	0.50	0.50	0.50	-	-	-	-	-	-	-
Plant operations and maintenance	1.00	1.00	1.00	-	-	-	-	-	-	-
Pupil transportation										
Food Service										
Total	8.11	8.15	8.15	-	-	-	-	-	-	-

Source: District Personnel Records

Washington Township School District
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff b	Elementary	Middle School				
2014	-	-	-	0.00%	-	-	-	-	-	-	-
2015	-	-	-	0.00%	-	-	-	-	-	-	-
2016	-	-	-	0.00%	-	-	-	-	-	-	-
2017	-	-	-	0.00%	-	-	-	-	-	-	-
2018	-	-	-	0.00%	-	-	-	-	-	-	-
2019	-	-	-	0.00%	-	-	-	-	-	-	-
2020	-	-	-	0.00%	-	-	-	-	-	-	-
2021	-	-	-	0.00%	-	-	-	-	-	-	-
2022	-	-	-	0.00%	-	-	-	-	-	-	-
2023	-	-	-	0.00%	-	-	-	-	-	-	-

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

Note: Enrollment based on annual October district count.

The district is non-operating, and does not have ADE or ADA

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-
- b Not required Sending District
- c Not required Sending District

**Washington Township School District
School Building Information
Last Ten Fiscal Years
*Unaudited***

	2014	2015	2016	2017*	2018**	2019	2020	2021	2022	2023
Green Bank School (2006)	25,321	25,321	25,321	25,321	N/A	N/A	N/A	N/A	N/A	N/A
Square Feet	250	250	250	250	N/A	N/A	N/A	N/A	N/A	N/A
Capacity (Students)	31	42	36	-	N/A	N/A	N/A	N/A	N/A	N/A
Enrollment PK-8										

Source: District records, ASSA

Note: Enrollment is based on the annual October district count

* - Washington Township School District became a non-operating school district

** - The Green Bank School was sold during 2017-2018 school year

Washington Township School District
 General Fund
 Schedule of Required Maintenance for School Facilities
 Last Nine Years
Unaudited

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

School Facilities	Project # (s)	2023	2022	2021	2020	2019	2018	2017	2016	2015
Green Bank Elementary School		-	-	-	-	-	2,040.00	13,532.00	31,573.00	16,828.00
Total School Facilities		-	-	-	-	-	2,040.00	13,532.00	31,573.00	16,828.00
Other Facilities										
Grand Total		-	-	-	-	-	2,040.00	13,532.00	31,573.00	16,828.00

District building was sold during the 2018 year.

**Washington Township School District
Insurance Schedule
June 30, 2023
Unaudited**

	Coverage	Deductible
School Package Policy:		
Property		
Blanket Coverage for Building and Contents	\$ 5,456,500	1,000
Extra Expense	50,000,000	1,000
Papers and Records	10,000,000	1,000
Electronic Hardware and Software	75,000	1,000
General Liability	6,000,000	N/A
Medical Expense Limit	10,000	1,000
Employee Benefits Liability	6,000,000	N/A
Automobile	6,000,000	N/A
Sexual Abuse Liability	6,000,000	N/A
School Board Legal Liability	5,000,000	1000
Boiler and Machinery	100,000,000	1,000
Surety Bonds:		
Treasurer	130,000	
Board Secretary/Business Administrator	100,000	

Source: District Records

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Single Audit Section

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FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-1

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington Township School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Washington Township School District's basic financial statements, and have issued our report thereon dated December 2, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Nancy Sbrolla

Nancy Sbrolla
Certified Public Accountant
Licensed Public School Accountant
No. 2426

December 2, 2023

WASHINGTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Year Ended June 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2022			Balance at June 30, 2023			MEMO		
				Deferred Revenue/ (Accts Receivable)	Carryover Amount	Due to Grantor	(Accounts Receivable)	Deferred Revenue	Due to Grantor		Budgetary Receivable	Cumulative Total Expenditures
State Department of Education												
General Fund:												
Transportation Aid	23-495-034-5120-014	7/1/2022	630/2023 \$ 83,884				83,884	(83,884)	-	8,388	83,884	
State Aid Public Cluster:												
Special Education Aid	23-495-034-5120-078	7/1/2022	630/2023 36,932				36,932	(36,932)	-		36,932	
Special Education Aid	23-495-034-5120-078	7/1/2022	630/2023 52,770				52,770	(52,770)	-		52,770	
Special Education Aid	23-495-034-5120-084	7/1/2022	630/2023 9,777				9,777	(9,777)	-		9,777	
Special Education Aid	23-495-034-5120-078	7/1/2022	630/2023 57,259				57,259	(57,259)	-	5,725	57,259	
Total State Aid Public Cluster							156,528	(156,528)	-	11,953	156,528	
Extraordinary Aid	23-495-034-5120-044	7/1/2022	630/2023 79,438				79,438	(79,438)	-		79,438	
Extraordinary Aid	22-495-034-5120-044	7/1/2021	630/2022 25,905	(25,905)							25,905	
Non-Public Transportation Aid	23-495-034-5120-014	7/1/2022	630/2023 624				624	(624)	-		624	
Non-Public Transportation Aid	22-495-034-5120-014	7/1/2021	630/2022 290	(290)							290	
Total General Fund				(26,195)	-	-	286,607	(320,474)	(80,062)	-	20,346	346,669
Special Revenue Fund												
Preschool Aid	23-495-034-5120-066	7/1/2022	630/2023 86,260.00				86,260	(86,260)	-	20,667	82,260	
Total Special Revenue Fund							86,260	(86,260)	-	20,667	82,260	
Total State Financial Assistance				(26,195)	-	-	348,867	(402,734)	(80,062)	-	40,913	428,929

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of state financial assistance are presented on the budgetary basis of accounting. These bases of accounting are described in Note 1 to the Board's general-purpose financial statements. The District has elected not to use the 10% de minimus indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97 (A3521). For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,837 for the general fund and \$(20,567.00) for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general fund. Awards and financial assistance revenues are reported in the Board's general-purpose financial statements on a GAAP basis as follows:

Washington Township School District
Notes to the Schedules of Expenditures of State Financial Assistance
June 30, 2023

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	State Assistance		
	General Fund	Special Revenue Fund	Total
Actual amounts (budgetary) "revenues" from the Schedule of Expenditures of Financial Assistance	\$ 320,474.00	82,260.00	402,734.00
Difference-budget to "GAAP"			
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	25,183.00		25,183.00
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)	(20,346.00)	(20,567.00)	(40,913.00)
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances	<u>\$ 325,311.00</u>	<u>61,693.00</u>	<u>387,004.00</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

Amount reported in the accompanying schedules agree with the amounts reported in the related state financial reports.

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

Section I -- Summary of Auditor's Results

Financial Statement

Type of auditor's report issued		Unmodified		
<hr/>				
Internal control over financial reporting:				
• Material weakness(es) identified?	_____	yes	_____ X _____	no
• Significant deficiency(ies) identified?	_____	yes	_____ X _____	no
Noncompliance material to financial statements noted?	_____	yes	_____ X _____	no

Federal Awards - N/A

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 the Uniform Guidance?	_____	yes	_____	no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number</u>	<u>Name of Federal Program or Cluster</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Dollar Threshold used to distinguish between type A and type B programs: \$ _____

Auditee qualified as low-risk auditee? _____ yes _____ no

State Awards - N/A

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 major programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular 15-08

_____ yes _____ no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

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

\$ _____

Auditee qualified as low-risk auditee?

_____ yes _____ no

**WASHINGTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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SCHEDULE OF FINANCIAL STATEMENT FINDINGS

NONE

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STATUS OF PRIOR YEAR FINDINGS

NONE