

**LENAPE VALLEY REGIONAL
HIGH SCHOOL DISTRICT**

**Lenape Valley Regional High School District
Stanhope, New Jersey**

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2024**

Annual Comprehensive Financial Report

of the

**Lenape Valley Regional
High School District**

Stanhope, New Jersey

For the Fiscal Year Ended June 30, 2024

Prepared by

**Lenape Valley Regional High School
Board of Education**

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
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INTRODUCTORY SECTION
(UNAUDITED)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

BOARD OF EDUCATION

28 SPARTA ROAD, P. O. BOX 578
STANHOPE, NJ 07874

Richard D. Kuncken, President
Kim Dachisen, Vice President

Danielle Tarvin
School Business Administrator/Board Secretary
Telephone (973) 347-7600
Fax (973) 347-2536

September 20, 2024

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
Sussex County, New Jersey

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Lenape Valley Regional High School District (the "District") for the fiscal year ended June 30, 2024 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. **REPORTING ENTITY AND ITS SERVICES:** The Lenape Valley Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) Codification Section 2100. All funds of the District are included in this report. The Lenape Valley Regional High School District and its school constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational and special education for handicapped students. The District completed the 2023-2024 fiscal year with an enrollment of 674 students, which is a decrease of 2 students from the previous year's enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Lenape Valley is a regional school district serving approximately 674 students from three sending districts. Students come from Byram Township and Stanhope Borough in Sussex County, New Jersey, and the Borough of Netcong in Morris County, New Jersey. The regional high school is situated on a 57.30-acre tract of land located in the northeastern part of Stanhope Borough at 28 Sparta Road. Byram Township (the “Township”) is situated in the southwesterly section of Sussex County. The Township is bordered on the north by Sparta Township, on the northwest by Green and Andover Townships, on the east and southeast by Hopatcong Borough, on the south by Stanhope Borough, on the southwest by Mt. Olive Township in Morris County and on the west by Allamuchy Township in Warren County. Route 206, which serves as an access corridor linking Interstate Route 80 with other larger towns in Sussex County.

The Borough of Stanhope is situated in the southernmost part of Sussex County. It is bordered on the north and northwest by Byram Township, on the northeast by Hopatcong Borough, on the southeast by Roxbury Township, on the south by Netcong and on the southwest by Mount Olive Township. Interstate Route 80, U.S. Route 206 and Sussex County Route 183 provide direct access into the Borough.

The Borough of Netcong is located along the western boundary of Morris County approximately in the middle of the county in the north-south direction. Netcong is bounded on the north by the Borough of Stanhope in Sussex County, on the west by the Township of Mt. Olive, and on the south and east by the Township of Roxbury. Netcong Borough is traversed by three major highways, namely Routes 206, 46 and 80.

The future outlook for the Lenape Valley Regional High School District is for a slow growth in industrial and commercial ratables and a slow growth for housing. A steady enrollment is projected over the next 2-3 years.

3. MAJOR INITIATIVES: During the 2023-2024 school year, the biggest initiative was the construction of a state-of-the-art athletic trainer’s room. Equipped with industry-grade equipment, the physical components complement all athletic and co-curricular programs. A second initiative was the upgrade of our existing telephone system by migrating voice and collaboration service from the existing Cisco Unified Communications Manager and Cisco Unity Connection to Cisco Webex. A third initiative was to replace six rooftop exhaust fans to improve air quality throughout the building. A fourth initiative was to provide unique opportunities for our students that we would not otherwise be able to provide through traditional classes. We opened up Penn Foster, an online, self-paced academy, that gave students the opportunity to pursue certificates in all sorts of job-ready areas.

During the 2024-2025 school year, we will increase the number of unique opportunities offered to our students. These opportunities include partnerships with the local community college and local businesses for career and technical education experiences. We plan to start the first phase of a multiyear project of repointing the exterior bricks. Additionally, we will complete the replacement of our rooftop exhaust fans. The main office, attendance office, and security office will be upgraded to include new flooring, paint and furniture. The auditorium and cafeteria will be outfitted with updated audio equipment.

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


As a recipient of federal awards and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2024.
6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
8. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found on Exhibit J-20.
9. OTHER INFORMATION: **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
Page 4
September 20, 2024

10. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Lenape Valley Regional High School Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,



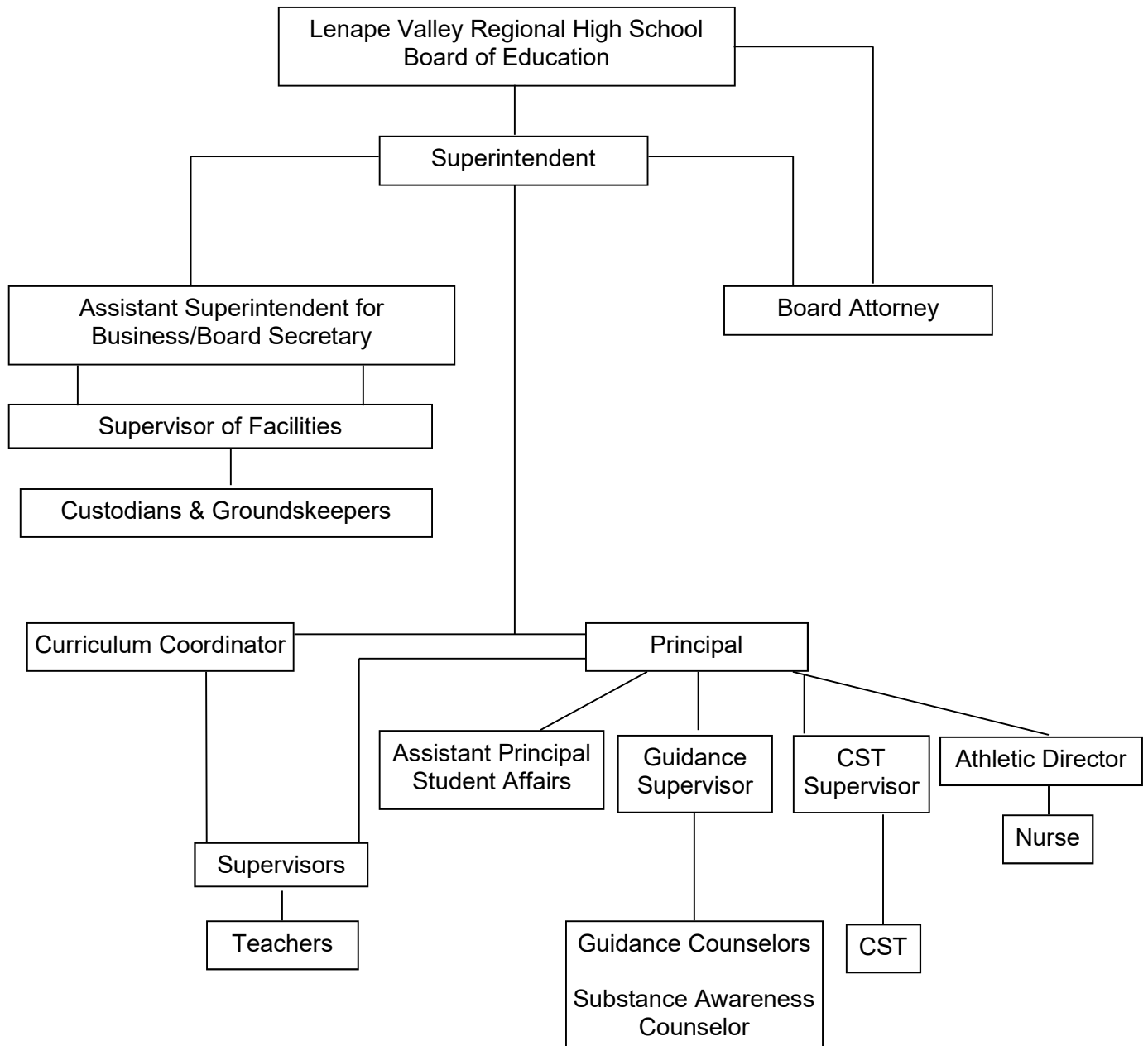
Michael A. Rossi, Jr.
Superintendent



Danielle Tarvin
School Business Administrator

LENAPE VALLEY REGIONAL BOARD OF EDUCATION

ORGANIZATIONAL CHART



LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Roster of Officials
Year Ended June 30, 2024

<u>Regional High School District Board Members</u>	<u>Term Expires</u>
Richard Kuncken, President Byram Township	2025
Kim Dachisen, Vice President Byram Township	2024
Brett Conrads Netcong Borough	2024
Katy Cherry Byram Township	2026
MaryLu Costanzo Netcong Borough	2024
Shelley Credidio Byram Township	2026
Sherry Fehir Stanhope Borough	2026
Kimberly Marcisak Byram Township	2024
Peter Vergano Stanhope Borough	2025

<u>Other Officials</u>	<u>Title</u>
Michael A. Rossi, Jr.	Superintendent
Danielle Tarvin	School Business Administrator/Board Secretary
Kerry Ann Keane	Treasurer of School Monies

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors
Year Ended June 30, 2024

Audit Firm

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

Attorney

John Comegno, Esq.
Comegno Law Group, PC
521 Pleasant Valley Ave
Moorestown, NJ 08057

Official Depository

Lakeland Bank
80 US Highway 206
Stanhope, New Jersey 07874

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
County of Sussex, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Lenape Valley Regional High School District (the "District"), in the County of Sussex, as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position, and, where applicable cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

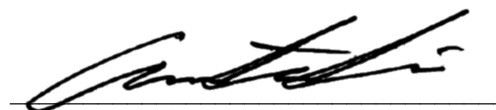
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

September 20, 2024
Mount Arlington, New Jersey

NISIVOCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2024

This section of Lenape Valley Regional High School's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Overview of the Financial Statements

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

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

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

Figure A-1

Organization of Lenape Valley Regional High School District's Financial Report

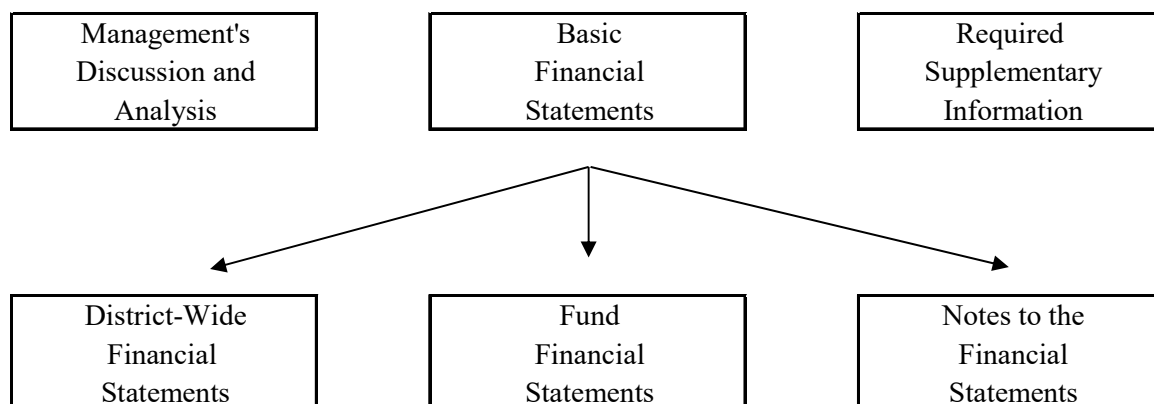


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2024

District-Wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a school's financial position.

Figure A-3

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total School District		Percent
	2024	2023*	2024	2023	2024	2023*	Change
Current and							
Other Assets	\$ 2,875,339	\$ 2,793,464	\$ 153,585	\$ 143,479	\$ 3,028,924	\$ 2,936,943	
Capital Assets, Net	9,557,929	9,391,916	61,019	22,751	9,618,948	9,414,667	
Total Assets	12,433,268	12,185,380	214,604	166,230	12,647,872	12,351,610	2.40%
Deferred Outflows of Resources	833,582	420,506			833,582	420,506	98.23%
Other Liabilities	557,085	666,397	15,874	12,085	572,959	678,482	
Long-Term Liabilities	3,717,258	3,114,891			3,717,258	3,114,891	
Total Liabilities	4,274,343	3,781,288	15,874	12,085	4,290,217	3,793,373	13.10%
Deferred Inflows of Resources	241,729	473,451			241,729	473,451	-48.94%
Net Position:							
Net Investment in							
Capital Assets	9,067,852	9,010,459	61,019	22,751	9,128,871	9,033,210	
Restricted	2,419,287	1,583,332			2,419,287	1,583,332	
Unrestricted/(Deficit)	(2,736,361)	(2,242,644)	137,711	131,394	(2,598,650)	(2,111,250)	
Total Net Position	\$ 8,750,778	\$ 8,351,147	\$ 198,730	\$ 154,145	\$ 8,949,508	\$ 8,505,292	5.22%

* - Restated

The District's financial position is the product of financial transactions including the net results of activities, the acquisition and payment of bonded and long-term liabilities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FOR FISCAL YEAR ENDED JUNE 30, 2024**

Financial Analysis of the District as a Whole

Changes in Net Position. Net position in the Governmental Activities increased due primarily to the maturity of long-term liabilities, capital assets additions offset by depreciation expense as well as excess revenues and unexpended budget balances in the General Fund. An explanation for the change in Net Position for Business-Type Activities is included later in this section of the report.

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities		Business-Type Activities		Total School District		Percent
Revenue:	2024	2023	2024	2023	2024	2023	Change
Program Revenue:							
Charges for Services	\$ 442,456	\$ 294,264	\$ 243,176	\$ 241,971	\$ 685,632	\$ 536,235	
Operating Grants & Contributions	3,501,031	3,297,618	93,280	108,243	3,594,311	3,405,861	
Capital Grants & Contributions			20,000		20,000		
General Revenue:							
Property Taxes	11,739,137	11,397,220			11,739,137	11,397,220	
Unrestricted Federal & State Aid	4,385,445	4,185,675			4,385,445	4,185,675	
Other	260,974	94,984	3,443	147	264,417	95,131	
Total Revenue	20,329,043	19,269,761	359,899	350,361	20,688,942	19,620,122	5.45%
Expenses:							
Instruction	10,706,591	10,328,083			10,706,591	10,328,083	
Pupil & Instruction Services	4,060,937	3,852,410			4,060,937	3,852,410	
Administration and Business	1,828,836	1,705,729			1,828,836	1,705,729	
Maintenance & Operations	1,951,510	1,872,415			1,951,510	1,872,415	
Transportation	1,250,714	1,180,001			1,250,714	1,180,001	
Other	130,824	398,369	315,314	296,065	446,138	694,434	
Total Expenses	19,929,412	19,337,007	315,314	296,065	20,244,726	19,633,072	3.12%
Change in Net Position	<u>\$ 399,631</u>	<u>\$ (67,246)</u>	<u>\$ 44,585</u>	<u>\$ 54,296</u>	<u>\$ 444,216</u>	<u>\$ 12,950</u>	3330.24%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2024

Governmental Activities

The governmental financial position of the District increased by 4.79%. However, maintaining existing programs with the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources. During the past several years, numerous veteran teachers have retired and have been replaced by teachers of less experience. Such changes have generated significant salary savings, but these have not been sufficient enough to provide for increased tuition costs for private schools for students with disabilities and increased insurance costs. As a result, the three municipalities in the regional district were subject to a tax increase in 2024.

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented/continued during the year were:

- Participation in an insurance pool has resulted in lower costs in property, casualty, liability and workers compensation insurance.
- Shared service agreements with the Stanhope and Netcong school districts for shared positions has reduced the cost of part time positions significantly.
- A number of disabled pupils continue to be educated in programs within the District rather than being sent to private schools where the District would have to pay tuition as well as increased transportation costs.
- Participation in joint purchasing agreements for vehicle fuel with Byram Township has reduced this cost significantly.
- Participation in joint transportation agreements continues to lower the cost of special education transportation and private school transportation.

Due to the constraints placed upon the District by legislation, it is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

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

Figure A-5
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Instruction	\$ 10,706,591	\$ 10,328,083	\$ 7,435,214	\$ 7,290,274
Pupil & Instruction Services	4,060,937	3,852,410	3,653,888	3,558,146
Administration and Business	1,828,836	1,705,729	1,748,710	1,631,057
Maintenance & Operations	1,951,510	1,872,415	1,951,510	1,872,415
Transportation	1,250,714	1,180,001	1,065,779	994,864
Other	130,824	398,369	130,824	398,369
Total	<u>\$ 19,929,412</u>	<u>\$ 19,337,007</u>	<u>\$ 15,985,925</u>	<u>\$ 15,745,125</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2024

Business-Type Activities

Net position from the District's business-type activities increased \$44,585 mainly as a result of the unanticipated Supply Chain Assistance grant revenue. (Refer to Figure A-4).

Financial Analysis of the District's Funds

The District's financial position remains positive despite changes in the student population and difficult economic times. Expenditures during the recent year increased slightly.

Difficult economic times have had a direct impact upon the District's revenue sources. The District has had a multi-year practice of utilizing funds from the unassigned fund balance to reduce the tax levy. Ratables in the three municipalities of the Regional District show little growth; thus generating concern for the local tax levy in the future.

All of these factors are likely to continue for the next several years. To continue to maintain a stable financial position, the District must continue to practice sound fiscal management. Due to sizeable balances in the past year's budget expenditures, the District has been able to allocate fund balance to mitigate the local tax levy increase.

General Fund Budgetary Highlights

Over the course of the year, the District revised its annual operating budget several times. These budget amendments consisted of changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Long-Term Liabilities

Figure A-6

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Percent Change
	2024	2023*	2024	2023	2024	2023*	
Land	\$ 98,915	\$ 98,915			\$ 98,915	\$ 98,915	
Site Improvements	1,004,455	1,006,578			1,004,455	1,006,578	
Buildings & Bldg. Imps.	6,189,410	6,192,423			6,189,410	6,192,423	
Machinery, Furniture and Equipment	2,265,149	2,094,000	\$ 61,019	\$ 22,751	2,326,168	2,116,751	
Total	<u>\$ 9,557,929</u>	<u>\$ 9,391,916</u>	<u>\$ 61,019</u>	<u>\$ 22,751</u>	<u>\$ 9,618,948</u>	<u>\$ 9,414,667</u>	2.17%

* - Restated

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FOR FISCAL YEAR ENDED JUNE 30, 2024

Long-Term Liabilities

(More detailed information about the District's long-term liabilities is presented in Note 7 to the financial statements.)

Figure A-7

Outstanding Long-Term Liabilities

	Total School District		Percent
	2024	2023*	Change
			2023/24
Compensated Absences Payable	\$ 484,277	\$ 429,580	
Net Pension Liability	2,742,904	2,303,854	
Financed Purchases Payable	490,077	381,457	
Total	\$ 3,717,258	\$ 3,114,891	19.34%

* - Restated

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of an existing circumstance that could significantly affect its financial health in the future:

- Future State Aid may be reduced due to the State's new criteria utilized in calculating allocations of State Aid and the possible elimination of the school choice program.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Danielle Tarvin, School Business Administrator, Lenape Valley Regional High School District, P.O. Box 578, Stanhope, New Jersey 07874.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents		\$ 93,754	\$ 93,754
Receivable from State Government	\$ 368,769	170	368,939
Receivable from Federal Government	46,578	1,438	48,016
Receivable from Local Government	188,287		188,287
Other Accounts Receivable	3,542		3,542
Inventories		6,706	6,706
Restricted Cash and Cash Equivalents	2,319,287		2,319,287
Internal Balances	(51,517)	51,517	
Capital Assets:			
Site (Land)	98,915		98,915
Depreciable Site Improvements, Building and Building Improvements, Furniture, Machinery and Equipment	9,459,014	61,019	9,520,033
Total Assets	12,433,268	214,604	12,647,872
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	833,582		833,582
Total Deferred Outflows of Resources	833,582		833,582
LIABILITIES			
Current Liabilities:			
Payable to Federal Government	393		393
Payable to State Government	60		60
Accounts Payable	525,286	8,999	534,285
Unearned Revenue	31,346	6,875	38,221
Noncurrent Liabilities:			
Due Within One Year	179,992		179,992
Due Beyond One Year	3,537,266		3,537,266
Total Liabilities	4,274,343	15,874	4,290,217
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	241,729		241,729
Total Deferred Inflows of Resources	241,729		241,729
NET POSITION			
Net Investment in Capital Assets	9,067,852	61,019	9,128,871
Restricted for:			
Capital Projects	1,992,079		1,992,079
Unemployment Compensation	59,070		59,070
Student Activities	244,681		244,681
Scholarships	23,457		23,457
Unrestricted/(Deficit)	(2,736,361)	137,711	(2,598,650)
Total Net Position	\$ 8,750,778	\$ 198,730	\$ 8,949,508

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business- Type Activities	Total
			Grants and Contributions	Grants and Contributions			
Governmental Activities:							
Instruction:							
Regular	\$ 7,883,044	\$ 35,407	\$ 1,561,613		\$ (6,286,024)		\$ (6,286,024)
Special Education	1,969,279		1,674,357		(294,922)		(294,922)
School Sponsored Instruction	854,268				(854,268)		(854,268)
Support Services:							
Tuition	790,925				(790,925)		(790,925)
Student & Instruction Related Services	3,270,012	407,049			(2,862,963)		(2,862,963)
General Administration Services	469,048				(469,048)		(469,048)
School Administration Services	595,985		80,126		(515,859)		(515,859)
Central Services	542,351				(542,351)		(542,351)
Administration Information Technology	221,452				(221,452)		(221,452)
Plant Operations and Maintenance	1,951,510				(1,951,510)		(1,951,510)
Pupil Transportation	1,250,714		184,935		(1,065,779)		(1,065,779)
Capital Outlay	130,824				(130,824)		(130,824)
Total Governmental Activities	19,929,412	442,456	3,501,031	\$ -0-	\$ (15,985,925)	\$ -0-	(15,985,925)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type Activities	Total
Business-Type Activities:						
Food Service	\$ 315,314	\$ 243,176	\$ 93,280	\$ 20,000	\$ 41,142	\$ 41,142
Total Primary Government	<u>\$ 20,244,726</u>	<u>\$ 685,632</u>	<u>\$ 3,594,311</u>	<u>\$ 20,000</u>	<u>\$ 41,142</u>	<u>\$ (15,944,783)</u>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				\$ 11,739,137		\$ 11,739,137
Federal and State Aid not Restricted				4,385,445		4,385,445
Miscellaneous Income				260,974	\$ 3,443	264,417
Total General Revenue				16,385,556	3,443	16,388,999
Change in Net Position				399,631	44,585	444,216
Restated Net Position - Beginning				8,351,147	154,145	8,505,292
Net Position - Ending				\$ 8,750,778	\$ 198,730	\$ 8,949,508

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

FUND FINANCIAL STATEMENTS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS:			
Interfunds Receivable	\$ 15,172		\$ 15,172
Receivable from State Government	368,769		368,769
Receivable from Federal Government		\$ 46,578	46,578
Receivable from Local Government	188,287		188,287
Other Receivables	3,542		3,542
Restricted Cash and Cash Equivalents	2,051,149	268,138	2,319,287
Total Assets	<u>\$ 2,626,919</u>	<u>\$ 314,716</u>	<u>\$ 2,941,635</u>
FUND BALANCES:			
Liabilities:			
Accounts Payable - Cash Deficit	\$ 47,151		\$ 47,151
Accounts Payable	223,135		223,135
Intergovernmental Payable - Federal		\$ 393	393
Intergovernmental Payable - State		60	60
Interfunds Payable	51,517	14,779	66,296
Unearned Revenue		31,346	31,346
Total Liabilities	<u>321,803</u>	<u>46,578</u>	<u>368,381</u>
Fund Balances:			
Restricted:			
Excess Surplus - 2025-2026	100,000		100,000
Capital Reserve Account	1,992,079		1,992,079
Unemployment Compensation	59,070		59,070
Student Activities		244,681	244,681
Scholarships		23,457	23,457
Assigned:			
Designated for Subsequent Year's Expenditures	153,967		153,967
Total Fund Balances	<u>2,305,116</u>	<u>268,138</u>	<u>2,573,254</u>
Total Liabilities and Fund Balances	<u>\$ 2,626,919</u>	<u>\$ 314,716</u>	

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are different because:

Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	9,557,929
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(2,742,904)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Deferred Outflows - Pensions	578,582
Deferred Inflows - Pensions	(241,729)
Long-term liabilities, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(974,354)
Net Position of Governmental Activities	<u>\$ 8,750,778</u>

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUE:			
Local Sources:			
Local Tax Levy	\$ 11,739,137		\$ 11,739,137
Tuition from Other LEA's Within the State	35,407		35,407
Rents and Royalties	11,646		11,646
Sale of Property	83,101		83,101
Interest Earned on Capital Reserve Funds	39,426		39,426
Restricted Miscellaneous		\$ 407,049	407,049
Unrestricted Miscellaneous	126,801		126,801
Total - Local Sources	12,035,518	407,049	12,442,567
State Sources	9,165,794		9,165,794
Federal Sources		475,447	475,447
Total Revenue	21,201,312	882,496	22,083,808
EXPENDITURES:			
Current:			
Regular Instruction	4,851,390	132,644	4,984,034
Special Education Instruction	1,021,977	332,803	1,354,780
School Sponsored Instruction	824,025		824,025
Support Services and Undistributed Costs:			
Tuition	790,925		790,925
Student & Instruction Related Services	2,042,387	351,771	2,394,158
General Administration Services	393,961		393,961
School Administration Services	392,358		392,358
Central Services	390,476		390,476

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

EXPENDITURES (Cont'd):
Support Services and Undistributed Costs: (Cont'd)

Administrative Information Technology
Plant Operations and Maintenance
Pupil Transportation
Unallocated Benefits
Capital Outlay

Total Expenditures

Net Change in Fund Balances

OTHER FINANCING SOURCES:

Financed Purchases (Non-Budgeted)

Total Other Financing Sources

Net Change in Fund Balances

Fund Balance—July 1

Fund Balance—June 30

	General Fund	Special Revenue Fund	Total Governmental Funds
\$	165,055		\$ 165,055
	1,658,039		1,658,039
	1,304,957		1,304,957
	6,676,615		6,676,615
	794,627	\$ 10,000	804,627
	21,306,792	827,218	22,134,010
	(105,480)	55,278	(50,202)
	295,335		295,335
	295,335		295,335
	189,855	55,278	245,133
	2,115,261	212,860	2,328,121
	\$ 2,305,116	\$ 268,138	\$ 2,573,254

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Total Net Change in Fund Balances - Governmental Funds (from B-2)	\$	245,133
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are different because:		
Capital outlays are reported in Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	Capital Outlays	\$ 673,803
	Depreciation Expense	<u>(507,790)</u>
		166,013
Proceeds from financed purchases are another financing source in the governmental funds. They are not revenue in the Statement of Activities; issuing debt increases long-term liabilities in the Statement of Net Position.		(295,335)
In the Statement of Activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(54,697)
Repayment of financed purchases is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		186,715
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		(439,050)
Change in Net Pension Liability		359,130
Change in Deferred Outflows		231,722
Change in Deferred Inflows		
Change in Net Position of Governmental Activities (A-2)	\$	399,631

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activities - Enterprise Funds Food Service
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 93,754
Intergovernmental Accounts Receivable:	
State	170
Federal	1,438
Interfund Receivable - General Fund	51,517
Inventories	6,706
	<hr/>
Total Current Assets	153,585
	<hr/>
Non-Current Assets:	
Capital Assets:	
Depreciable Furniture, Machinery and Equipment	127,387
Less: Accumulated Depreciation	(66,368)
	<hr/>
Total Non-Current Assets	61,019
	<hr/>
Total Assets	214,604
	<hr/>
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable - Vendors	8,999
Unearned Revenue - Donated Commodities	3,114
Unearned Revenue - Prepaid Sales	3,761
	<hr/>
Total Liabilities	15,874
	<hr/>
<u>NET POSITION:</u>	
Investment in Capital Assets	61,019
Unrestricted	137,711
	<hr/>
Total Net Position	\$ 198,730
	<hr/> <hr/>

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 73,267
Daily Sales - Non-Reimbursable Programs	168,699
Miscellaneous	1,210
Total Operating Revenue	243,176
Operating Expenses:	
Cost of Sales - Reimbursable Programs	47,371
Cost of Sales - Non-Reimbursable Programs	109,854
Salaries, Benefits & Payroll Taxes	134,591
Supplies, Insurance & Other Costs	2,569
Management Fee	10,568
Miscellaneous Expense	8,069
Depreciation Expense	2,292
Total Operating Expenses	315,314
Operating Income/(Loss)	(72,138)
Non-Operating Income:	
Interest Income	3,443
State Sources:	
State School Lunch Program	2,424
State School Breakfast Program	384
State After Bell Program	621
State Extended Income Eligibility - Breakfast	363
State Extended Income Eligibility - Lunch	1,428
NJ Grant for Caf� Equipment	20,000
Federal Sources:	
Federal School Lunch Program	37,343
Federal School PB Lunch Program	1,799
Federal School Breakfast Program	10,522
Supply Chain Assistance Award	20,061
Food Distribution Program	17,682
COVID 19 Operational Reimbursement	653
Total Non-Operating Income	116,723
Change in Net Position	44,585
Net Position - Beginning of Year	154,145
Net Position - End of Year	\$ 198,730

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Business-Type Activities - Enterprise Funds Food Service</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 246,937
Payments to Food Service Vendor	(287,036)
Payments for Miscellaneous Expenses	(8,069)
Net Cash Used for Operating Activities	(48,168)
Cash Flows from Investing Activities:	
Interest Income	3,443
Net Cash Provided by Investing Activities	3,443
Cash Flows from Noncapital Financing Activities:	
Interfund Collected in General Fund	(3,158)
State Sources	25,181
Federal Sources	70,904
Net Cash Provided by Noncapital Financing Activities	92,927
Net Cash (Used) for Capital and Related Financing Activities	
Purchase of Equipment	(40,560)
Net Cash (Used) for Capital and Related Financing Activities	(40,560)
Net Increase in Cash and Cash Equivalents	7,642
Cash and Cash Equivalents, July 1	86,112
Cash and Cash Equivalents, June 30	\$ 93,754
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (72,138)
Adjustment to Reconcile Operating Loss to Cash Used for Operating Activities:	
Depreciation	2,292
Food Distribution Program	17,682
Changes in Assets and Liabilities:	
(Increase)/Decrease in Inventory	207
Increase/(Decrease) in Unearned Revenue - Donated Commodities	(360)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	3,761
Increase/(Decrease) in Accounts Payable	388
Net Cash Used for Operating Activities	\$ (48,168)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized USDA Donated Commodities through the Food Distribution Program valued at \$17,322 and \$17,682, respectively, for the fiscal year ended June 30, 2024.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

B. Basis of Presentation: (Cont'd)

Fund Financial Statements: (Cont'd)

Capital Projects Fund:

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

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

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting:

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

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

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

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

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budget for the fiscal year ended June 30, 2024 was submitted to the County office and approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

D. Budgets/Budgetary Control: (Cont'd)

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
from the Budgetary Comparison Schedule	\$ 21,265,879	\$ 882,496
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the budgetary basis recognizes encumbrances as expenditures and revenue, whereas the GAAP Basis does not.		
Prior Year Encumbrances		15,855
Cancellation of Prior Year Encumbrances		(15,855)
Prior Year State Aid Payments Recognized for GAAP Statements, not recognized for Budgetary Basis	461,892	
Current Year State Aid Payments recognized for Budgetary purposes, not recognized for GAAP Statements	(526,459)	
Total Revenues as reported on the Statement of Revenues, Expenditures & Changes in Fund Balances - Governmental Funds	<u>\$ 21,201,312</u>	<u>\$ 882,496</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	<u>\$ 21,306,792</u>	<u>\$ 827,218</u>
Total Expenditures as Reported on the Statement of Revenue, Expenditures, & Changes in Fund Balances - Governmental Funds	<u>\$ 21,306,792</u>	<u>\$ 827,218</u>

E. Cash and Cash Equivalents, and Investments:

Cash and cash equivalents include petty cash and cash in banks. Certificates of deposit with maturities of one year or less when purchased are stated at cost.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

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

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

K. Capital Assets:

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

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

	<u>Estimated Useful Life</u>
Buildings	50 Years
Buildings and Site Improvements	20 Years
Furniture, Machinery, Equipment and Vehicles	5 to 15 Years

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

L. Lease Assets:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

M. Subscription Assets

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

N. Long Term Liabilities:

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

O. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2024.

P. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after fifteen years of service.

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

Q. Lease Payable:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

R. Subscription Payable

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

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

T. Fund Balance Appropriated:

General Fund: Of the \$2,305,116 General Fund balance at June 30, 2024, \$1,992,079 is restricted in the capital reserve account; \$100,000 is current year excess surplus and will be anticipated and included as anticipated revenue for the fiscal year ending June 30, 2026 \$59,070 is restricted for unemployment compensation; \$153,967 is assigned fund balance which has been included as anticipated revenue for the fiscal year ending June 30, 2025, which is \$103,905 less than the budgetary basis due to the last two state aid payments, which are not recognized on the GAAP basis until the next fiscal year; and \$-0- is unassigned which is \$422,554 less than the calculated budgetary unassigned fund balance due to the last two state aid payments, which are not recognized on the GAAP basis until the next fiscal year.

Special Revenue Fund: Of the \$268,138 Special Revenue Fund fund balance at June 30, 2024 \$244,681 is restricted for Student Activities and \$23,457 is restricted for Scholarships.

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

P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the related state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

U. Net Position:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

U. Net Position: (Cont'd)

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2024 for pensions. The District had deferred inflows of resources at June 30, 2024 for pensions.

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

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

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

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

V. Deficit Net Position:

There is a deficit in unrestricted governmental activities net position in the amount of \$2,736,361. The deficit is primarily due to compensated absences payable and the net pension liability.

This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

W. Fund Balance Restrictions, Commitments and Assignments:

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District did not have any committed resources at June 30, 2024.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District had assigned resources for amounts designated for subsequent year's expenditures in the General Fund at June 30, 2024.

X. Revenue - Exchange and Non-exchange Transactions:

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

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

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

Y. Operating Revenue and Expenses:

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

Z. Management Estimates:

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

AA. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

Deposits:

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

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

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

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

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

Investments:

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

Investments: (Cont'd)

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

As of June 30, 2024, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents	Total
Checking Accounts	\$ 29,505	\$ 2,336,385	\$ 2,365,890

During the period ended June 30, 2024, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2024, was \$2,365,890 and the bank balance was \$2,913,901.

NOTE 4. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2024 were as follows:

	(Restated) Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 98,915			\$ 98,915
Total Capital Assets not being Depreciated	98,915			98,915
Capital Assets being Depreciated:				
Site Improvements	1,088,689			1,088,689
Buildings and Building Improvements	13,871,481	\$ 226,858		14,098,339
Furniture, Machinery and Equipment	4,989,053	446,945	\$ (191,859)	5,244,139
Total Capital Assets being Depreciated	19,949,223	673,803	(191,859)	20,431,167
Governmental Activities Capital Assets	20,048,138	673,803	(191,859)	20,530,082
Less Accumulated Depreciation for:				
Site Improvements	(82,111)	(2,123)		(84,234)
Buildings and Building Improvements	(7,679,058)	(229,871)		(7,908,929)
Furniture, Machinery and Equipment	(2,895,053)	(275,796)	191,859	(2,978,990)
Total Accumulated Depreciation	(10,656,222)	(507,790)	191,859	(10,972,153)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 9,391,916	\$ 166,013	\$ - 0 -	\$ 9,557,929

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 4. CAPITAL ASSETS (Cont'd)

	(Restated) Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 86,827	\$ 40,560		\$ 127,387
Less Accumulated Depreciation	(64,076)	(2,292)		(66,368)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 22,751</u>	<u>\$ 38,268</u>	<u>\$ - 0 -</u>	<u>\$ 61,019</u>
Total Governmental and Business-Type Activities	<u>\$ 9,414,667</u>	<u>\$ 204,281</u>	<u>\$ - 0 -</u>	<u>\$ 9,618,948</u>

The District expended \$714,363 on capitalized expenditures during the fiscal year.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 178,056
Special Education Instruction	37,508
Other Instruction	30,243
Student and Instruction Related Services	103,988
General Administrative Services	14,459
School Administrative Services	14,400
Central Services	14,331
Administrative Information Technology	6,058
Plant Operations and Maintenance	60,853
Pupil Transportation	47,894
Total Depreciation	<u>\$ 507,790</u>

NOTE 5. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2024, there were not any transfers to the capital outlay account.

NOTE 6. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Lenape Valley Regional High School District by inclusion of \$5,000 on August 13, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the General Fund annual budget.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 6. CAPITAL RESERVE ACCOUNT (Cont'd)

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

The activity of the capital reserve for fiscal year ending June 30, 2024 is as follows:

Beginning Balance at July 1, 2023	\$ 1,302,046
Interest Earnings	39,426
Increase by Resolution - June 2024	<u>650,607</u>
Ending Balance at June 30, 2024	<u><u>\$ 1,992,079</u></u>

The balance in the capital reserve account did not exceed the balance of local support costs of uncompleted capital projects in the District's approved LRFP.

NOTE 7. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2024, the following changes occurred in long-term liabilities reported in the district-wide financial statements:

	(Restated)			
	Balance	Issued/	Matured/	Balance
	6/30/2023	Accrued	Retired	6/30/2024
Financed Purchases Payable	\$ 381,457	\$ 295,335	\$ 186,715	\$ 490,077
Net Pension Liability	2,303,854	439,050		2,742,904
Compensated Absences Payable	<u>429,580</u>	<u>114,137</u>	<u>59,440</u>	<u>484,277</u>
	<u><u>\$ 3,114,891</u></u>	<u><u>\$ 848,522</u></u>	<u><u>\$ 246,155</u></u>	<u><u>\$ 3,717,258</u></u>

A. Bonds Payable:

The District had no bonds outstanding as of June 30, 2024.

B. Bonds Authorized But Not Issued:

As of June 30, 2024, the Board had no bonds authorized but not issued.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

C. Financed Purchases Payable:

The District has financed purchases agreements for buses totaling \$929,898 at June 30, 2024. The financed purchases agreements are for terms of five years. The District has entered into a finance purchase agreement totaling \$929,898 of which \$439,821 has been liquidated as of June 30, 2024. The General Fund will be used to liquidate financed purchases payable. The following is a schedule of the future minimum financed purchases agreements, and the present value of the net minimum financed purchases payments at June 30, 2024:

Year Ending June 30,	Amount
2025	\$ 197,157
2026	134,506
2027	134,506
2028	64,229
	<u>530,398</u>
Less: Amount representing interest	<u>(40,321)</u>
Present Value of Net Minimum Financed Purchases	<u>\$ 490,077</u>

The current portion is \$179,992 and the long-term portion is \$310,085.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in current and long-term portions and will be liquidated through the General Fund. The current portion of the liability is \$-0- and the long-term portion is \$484,277.

The District had no liability at June 30, 2024 for compensated absences associated with its Food Service Enterprise Fund.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2024 is \$-0- and the long-term portion is \$2,742,904. See Note 8 for further information on the PERS.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years, beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

District contributions to PERS amounted to \$253,098 for the current fiscal year. During the fiscal year ended June 30, 2023, the State of New Jersey contributed \$8,554 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under the legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statement of the local participating employers related to the legislation. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entity's total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must disclose pension expense as well as revenue associated with the employers in an amount equal to the nonemployer contributing entity's total proportionate share of the collective pension expense associated with the local participating employer.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

At June 30, 2024, the District reported a liability of \$2,742,904 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.01894%, which was an increase of 0.00349% from its proportion measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the District recognized an actual pension expense in the amount of \$101,297. Additionally, for the fiscal year ended June 30, 2024, the State recognized pension expense on behalf of the District in the amount of \$8,554 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2024 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2024.

At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2019	5.21		\$ (14,900)
	2020	5.16		(135,570)
	2021	5.13	\$ 6,026	
	2022	5.04		(15,762)
			<u>6,026</u>	<u>(166,232)</u>
Changes in Proportion	2019	5.21		(1,399)
	2020	5.16		(41,585)
	2021	5.13	42,303	
	2022	5.04		(21,301)
	2023	5.08	491,396	
			<u>533,699</u>	<u>(64,285)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	42,477	
	2021	5.00	(353,263)	
	2022	5.00	420,297	
	2023	5.00	(96,880)	
			<u>12,631</u>	
Difference Between Expected and Actual Experience	2019	5.21	1,139	
	2020	5.16	7,553	
	2021	5.13		(4,792)
	2022	5.04		(6,420)
	2023	5.08	17,534	
			<u>26,226</u>	<u>(11,212)</u>
District Contribution Subsequent to the Measurement Date	2023	1.00	255,000	
			<u>\$ 833,582</u>	<u>\$ (241,729)</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2024	\$ (144,816)
2025	(80,830)
2026	112,955
2027	(20,214)
2028	344
	<u>\$ (132,561)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions:

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

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS' target asset allocation as of June 30, 2023 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based upon 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2023 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 was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 3,570,678	\$ 2,742,904	\$ 2,038,359

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

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

Benefits Provided

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

The following represents the membership tiers for TPAF:

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

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2024, the State of New Jersey contributed \$2,370,751 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$698,266.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

At June 30, 2024, the State's proportionate share of the net pension liability associated with the District was \$28,422,812. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2023, the District's proportion was 0.0557%, which was a decrease of 0.0002% from its proportion measured as of June 30, 2022.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>28,442,812</u>
Total	<u><u>\$ 28,442,812</u></u>

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$698,266 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2016	8.30	\$ 391,340,712	
	2017	8.30		\$ 2,080,865,206
	2018	8.29		1,883,063,885
	2019	8.04		1,514,535,609
	2020	7.99	805,517,879	
	2021	7.93		9,179,534,541
	2022	7.83	82,066,487	
			<u>1,278,925,078</u>	<u>14,657,999,241</u>
Difference Between Expected and Actual Experience	2016	8.30		4,866,656
	2017	8.30	37,022,988	
	2018	8.29	330,339,649	
	2019	8.04		58,842,090
	2020	7.99		4,293,040
	2021	7.93	121,815,868	
	2022	7.83		15,372,285
	2023	7.93	169,161,907	
			<u>658,340,412</u>	<u>83,374,071</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2020	5.00	241,395,539	
	2021	5.00	(1,777,316,905)	
	2022	5.00	2,489,500,994	
	2023	5.00	(477,296,442)	
			<u>476,283,186</u>	
			<u>\$ 2,413,548,676</u>	<u>\$ 14,741,373,312</u>

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2024	\$ (3,918,676,894)
2025	(3,446,016,070)
2026	(1,604,289,401)
2027	(1,742,641,843)
2028	(1,672,806,952)
Thereafter	56,606,524
	<u>\$ (12,327,824,636)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022 which was rolled forward to June 30, 2023. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 4.25% based on years of service
Investment Rate of Return	7.00%

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

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%

Discount Rate – TPAF

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all projected benefit payments in determining the total pension liability.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2023 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	June 30, 2023		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 33,515,653	\$ 28,422,812	\$ 24,133,430

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$3,900 for the fiscal year ended June 30, 2024. Employee contributions to DCRP amounted to \$2,294 for the fiscal year ended June 30, 2024.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. RISK MANAGEMENT

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

Property, Liability and Health Benefits

The District maintains commercial insurance coverage for student accident and surety bonds. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The Board is a member of the School Alliance Insurance Fund ("SAIF). The SAIF provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. The SAIF is a risk-sharing fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the SAIF are elected.

As a member of the SAIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the SAIF were to be exhausted, members would become responsible for their respective shares of the SAIF's liabilities.

The SAIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

The financial information for the fiscal year ending June 30, 2024 was not available as of the date of the audit. Selected financial information for the SAIF as of June 30, 2023 is as follows:

Total Assets	<u>\$ 55,099,784</u>
Net Position	<u>\$ 19,896,776</u>
Total Revenue	<u>\$ 53,694,497</u>
Total Expenses	<u>\$ 54,788,356</u>
Change in Net Position	<u>\$ (1,093,859)</u>
Members Dividends	<u>\$ -0-</u>

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

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

The following is a summary of the District's contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's Unemployment Compensation Restricted Fund Balance in the General Fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employee & District</u>		<u>Amount</u>	<u>Ending</u>
	<u>Contributions</u>	<u>and Interest</u>		
2023-2024	\$	18,883	\$ 28,239	\$ 59,070
2022-2023		15,620	27,353	68,426
2021-2022		31,529	261	80,159

Health Benefits

The Board is a member of the Schools Health Insurance Fund ("HIF"). The HIF provides its members with Health Benefit coverage. The HIF is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the HIF are elected.

As a member of HIF, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of HIF were to be exhausted, members would become responsible for their respective shares of the HIF's liabilities.

HIF can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. In accordance with the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 9. RISK MANAGEMENT (Cont'd)

Health Benefits (Cont'd)

The June 30, 2024 audit report is not available as of the date of this report. Selected summarized financial information for HIF as of June 30, 2023 is as follows:

Total Assets	<u>\$ 193,919,700</u>
Net Position	<u>\$ 122,648,426</u>
Total Revenue	<u>\$ 479,446,780</u>
Total Expenses	<u>\$ 465,267,200</u>
Change in Net Position	<u>\$ 14,179,580</u>
Members Dividends	<u>\$ 10,718,165</u>

Financial Statements for HIF are available at PERMA's Executive Director's Office:

PERMA Risk Management Services
9 Campus Drive
Suite 216
Parsippany, NJ 07054

NOTE 10. ECONOMIC DEPENDENCY

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

NOTE 11. INTERFUND RECEIVABLES AND PAYABLES

The District had the following interfund receivable and payable at June 30, 2024.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 15,172	\$ 51,517
Special Revenue Fund		15,172
Food Service Fund	<u>51,517</u>	
	<u>\$ 66,689</u>	<u>\$ 66,689</u>

The interfund receivable for General Fund is for the deficit in Special Revenue Fund cash of June 30, 2024. The interfund receivable in the Food Service Fund is for Federal and State Grant reimbursements received in the General Fund and not turned over prior to June 30, 2024.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 12. DEFERRED COMPENSATION

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

The plan administrators are as follows:

Equitable Life Assurance	Lincoln Investment
Metropolitan Life Insurance Company	Variable Annuity Life Insurance Company

NOTE 13. TAX CALENDAR

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

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

NOTE 14. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 14. CONTINGENT LIABILITIES (Cont'd)

Encumbrances

The District did not have any encumbrances at June 30, 2024.

NOTE 15. ACCOUNTS PAYABLE

	<u>Governmental Funds</u>	<u>District Contribution</u>	<u>Total</u>	<u>Business-Type</u>
	<u>General</u>	<u>Subsequent to the</u>	<u>Governmental</u>	<u>Activities</u>
	<u>Fund</u>	<u>Measurement Date</u>	<u>Activities</u>	<u>Proprietary Funds</u>
Cash Deficit	\$ 47,451		\$ 47,451	
Payroll Deductions and Withholdings	24,483		24,483	
Due to State of New Jersey		\$ 255,000	255,000	
Vendors	198,652		198,652	\$ 8,999
	<u>\$ 270,586</u>	<u>\$ 255,000</u>	<u>\$ 525,586</u>	<u>\$ 8,999</u>

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Plan Description and Benefits Provided (Cont'd)

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

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

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

Employees Covered by Benefit Terms

At June 30, 2022, the plan membership consisted of the following:

Retirees Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	152,383
Active Plan Members	<u>217,212</u>
Total	<u><u>369,595</u></u>

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023.

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Actuarial Assumptions and Other Inputs

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

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 – June 30, 2021.

100% of active employees are considered to participate in the Plan upon retirement.

Mortality Rates

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Discount Rate

The discount rate used to measure the total OPEB liability was 3.65%. This represents the municipal bond rate as chosen by the State of New Jersey Division of Pensions and Benefits. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

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

	<u>Total OPEB Liability</u>
Balance at June 30, 2022	\$ 29,602,535
Changes for Year:	
Service Cost	1,050,901
Interest on the Total OPEB Liability	1,084,377
Changes of Assumptions	62,059
Differences between Expected and Actual Experience	(192,641)
Gross Benefit Payments by the State	(845,289)
Contributions from Members	27,789
Net Changes	<u>1,187,196</u>
Balance at June 30, 2023	<u>\$ 30,789,731</u>

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2023, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	<u>June 30, 2023</u>		
	<u>At 1% Decrease (2.65%)</u>	<u>At Discount Rate (3.65%)</u>	<u>At 1% Increase (4.65%)</u>
Total OPEB Liability Attributable to the District	\$ 36,095,674	\$ 30,789,731	\$ 26,529,675

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Sensitivity of the Total Nonemployer OPEB Liability Attributable to the District to Changes in the Discount Rate (Cont'd)

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2023, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2023		
	1%	Healthcare	1%
	Decrease	Cost Trend Rate	Increase
Total OPEB Liability Attributable to the District	\$ 25,560,224	\$ 30,789,731	\$ 37,632,555

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

For the fiscal year ended June 30, 2024 the District recognized OPEB expense of \$570,310 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

At June 30, 2023 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 16. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumption	2017	9.54		\$ 1,109,470
	2018	9.51		1,148,401
	2019	9.29	\$ 168,948	
	2020	9.24	4,130,495	
	2021	9.24	23,509	
	2022	9.13		6,238,994
	2023	9.30	55,386	
			<u>4,378,338</u>	<u>8,496,865</u>
Differences Between Expected and Actual Experience	2018	9.51		1,085,596
	2019	9.29		1,988,526
	2020	9.24	3,849,783	
	2021	9.24		4,521,066
	2022	9.13	642,528	
	2023	9.30		514,520
			<u>4,492,311</u>	<u>8,109,708</u>
Changes in Proportion	N/A	N/A	<u>805,654</u>	<u>824,480</u>
			<u>\$ 9,676,303</u>	<u>\$ 17,431,053</u>

N/A - Not Available

Amounts reported as deferred outflows of resources and deferred inflows of resources excluding changes in proportion related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2024	\$ (1,535,454)
2025	(1,535,454)
2026	(1,334,526)
2027	(786,786)
2028	(161,046)
Thereafter	<u>(2,382,658)</u>
	<u>\$ (7,735,924)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

NOTE 17. PRIOR YEAR ADJUSTMENT

During fiscal year 2023, the District determined that equipment assets related to leases were not reported. Therefore, capital assets, net of depreciation were understated by \$244,555 for the fiscal year ended June 30, 2023. In addition, noncurrent liabilities was understated by \$192,029 and net investment in capital assets was understated by \$52,526 for fiscal year ended June 30, 2023. The effect of correcting that error is shown in the table below.

	Balance June 30, 2023 as Previously Reported	Error Correction	Balance June 30, 2023 as Restated
<u>Statement of Activities:</u>			
<u>Governmental Activities:</u>			
Net Position - Ending	\$ 8,298,621	\$ 52,526	\$ 8,351,147
<u>Statement of Net Position:</u>			
<u>ASSETS</u>			
Capital Assets, Net:			
Depreciable Site Improvements, Buildings and Building Improvements, Furniture, Machinery, and Equipment	\$ 9,048,446	\$ 244,555	\$ 9,293,001
Total Assets	\$ 11,940,825	\$ 244,555	\$ 12,185,380
<u>LIABILITIES</u>			
Noncurrent Liabilities	\$ 2,922,862	\$ 192,029	\$ 3,114,891
Total Liabilities	\$ 3,589,259	\$ 192,029	\$ 3,781,288
<u>NET POSITION</u>			
Net Investment in Capital Assets	\$ 8,957,933	\$ 52,526	\$ 9,010,459
Net Position - Ending	\$ 8,298,621	\$ 52,526	\$ 8,351,147

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the net pension liability	0.0150859020%	0.0155418236%	0.0157287536%	0.0144473211%	0.0159595540%	0.0158061212%	0.0149845117%	0.0154516688%	0.0152660324%	0.0189369875%
District's proportionate share of the Net Pension Liability	\$ 2,824,493	\$ 3,488,828	\$ 4,658,406	\$ 3,363,105	\$ 3,142,357	\$ 2,848,023	\$ 2,443,582	\$ 1,830,482	\$ 2,303,854	\$ 2,742,904
District's covered employee payroll	\$ 1,057,741	\$ 1,052,588	\$ 968,707	\$ 977,515	\$ 1,017,216	\$ 1,026,740	\$ 1,050,529	\$ 1,102,006	\$ 1,228,179	\$ 1,392,486
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	267.03%	331.45%	480.89%	344.05%	308.92%	277.39%	232.60%	166.10%	187.58%	196.98%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 124,366	\$ 133,618	\$ 140,624	\$ 135,229	\$ 160,487	\$ 154,381	\$ 163,923	\$ 181,731	\$ 192,512	\$ 253,098
Contributions in relation to the contractually Required Contribution	(124,366)	(133,618)	(140,624)	(135,229)	(160,487)	(154,381)	(163,923)	(181,731)	(192,512)	(253,098)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 1,052,588	\$ 968,707	\$ 977,515	\$ 1,017,216	\$ 1,026,740	\$ 1,050,529	\$ 1,102,006	\$ 1,228,179	\$ 1,392,486	\$ 1,632,501
Contributions as a percentage of covered employee payroll	11.82%	13.79%	14.39%	13.29%	15.63%	14.70%	14.87%	14.80%	13.83%	15.50%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State's proportion of the net pension liability attributable to the District	0.0675761920%	0.0627055215%	0.0606394365%	0.0596031525%	0.0568644889%	0.0609122201%	0.0584700262%	0.0595015190%	0.0559191386%	0.0556953270%
State's proportionate share of the net pension liability attributable to the District	\$ 36,117,275	\$ 39,632,567	\$ 39,632,530	\$ 40,186,595	\$ 37,843,505	\$ 37,382,404	\$ 38,501,809	\$ 28,605,468	\$ 28,511,253	\$ 28,422,812
District's covered employee payroll	\$ 6,172,786	\$ 5,962,659	\$ 6,080,949	\$ 6,280,801	\$ 6,208,185	\$ 6,450,603	\$ 6,158,596	\$ 6,309,837	\$ 6,290,411	\$ 6,684,190
State's proportionate share of the net pension liability attributable to the district as a percentage of its covered employee payroll	585.10%	664.68%	651.75%	639.83%	609.57%	579.52%	625.17%	453.35%	453.25%	425.22%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S CONTRIBUTIONS
ATTRIBUTABLE TO THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually required contributions	\$ 1,943,449	\$ 2,419,925	\$ 3,584,206	\$ 2,783,924	\$ 2,206,144	\$ 2,204,914	\$ 2,394,206	\$ 673,099	\$ 776,465	\$ 698,266
Contributions in relation to the contractually required contribution	(339,009)	(336,996)	(646,977)	(876,014)	(1,197,997)	(1,282,472)	(1,729,637)	(2,301,999)	(2,276,858)	(2,370,751)
Contribution deficiency/(excess)	<u>\$ 1,604,440</u>	<u>\$ 2,082,929</u>	<u>\$ 2,937,229</u>	<u>\$ 1,907,910</u>	<u>\$ 1,008,147</u>	<u>\$ 922,442</u>	<u>\$ 664,569</u>	<u>\$ (1,628,900)</u>	<u>\$ (1,500,393)</u>	<u>\$ (1,672,485)</u>
District's covered employee payroll	\$ 5,962,659	\$ 6,080,949	\$ 6,280,801	\$ 6,208,185	\$ 6,450,603	\$ 6,158,596	\$ 6,309,837	\$ 6,290,411	\$ 6,684,190	\$ 7,081,926
Contributions as a percentage of covered employee payroll	26.91%	34.25%	46.77%	30.73%	15.63%	14.98%	10.53%	-25.89%	-22.45%	-23.62%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB
 LIABILITY ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS
 LAST SEVEN FISCAL YEARS

	Fiscal Year Ending June 30,						
	2017	2018	2019	2020	2021	2022	2023
Service Cost	\$ 1,174,373	\$ 976,163	\$ 866,324	\$ 910,880	\$ 1,588,794	\$ 1,338,046	\$ 1,050,901
Interest Cost	1,001,716	1,159,701	1,066,313	887,948	897,943	784,500	1,084,377
Change of Benefit Terms					(36,843)		
Differences between Expected and Actual Experience		(3,044,167)	(3,823,899)	6,660,396	(7,044,931)	1,558,538	(192,641)
Changes in Assumptions	(4,028,993)	(3,104,435)	369,660	7,281,052	34,150	(7,941,146)	62,059
Member Contributions	27,091	25,001	22,560	21,033	22,956	24,929	27,789
Gross Benefit Payments	(735,718)	(723,380)	(761,059)	(693,930)	(707,327)	(777,070)	(845,289)
Net Change in Total OPEB Liability	(2,591,531)	(4,711,117)	(2,260,101)	15,067,379	(5,245,258)	(5,012,203)	1,187,196
Total OPEB Liability - Beginning	34,325,366	31,763,835	27,052,718	24,792,617	39,859,996	34,614,738	29,602,535
Total OPEB Liability - Ending	\$ 31,763,835	\$ 27,052,718	\$ 24,792,617	\$ 39,859,996	\$ 34,614,738	\$ 29,602,535	\$ 30,789,731
State's Covered Employee Payroll *	\$ 7,049,656	\$ 7,258,316	\$ 7,225,401	\$ 7,477,343	\$ 7,209,125	\$ 7,411,843	\$ 7,518,590
Total OPEB Liability as a Percentage of Covered Employee Payroll	453%	384%	343%	533%	480%	399%	410%

* - Covered payroll for the fiscal years ending June 30, 2017 to June 30, 2023 are based on the payroll on the June 30, 2016 to June 30, 2022 census data.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

There were none.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2023 was 3.65%. The discount rate for June 30, 2022 was 3.54%, a change of .11%.

The health care trend rates in the valuation as of June 30, 2023 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long term rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

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

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

BUDGETARY COMPARISON SCHEDULES

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 11,739,137		\$ 11,739,137	\$ 11,739,137	
Tuition from Other LEAs Within the State				35,407	\$ 35,407
Rents and Royalties	9,135		9,135	11,646	2,511
Sale of Property				83,101	83,101
Interest Earned on Capital Reserve Funds				39,426	39,426
Unrestricted Miscellaneous Revenues	30,000		30,000	126,801	96,801
Total - Local Sources	11,778,272		11,778,272	12,035,518	257,246
State Sources:					
Categorical Special Education Aid	720,995		720,995	720,995	
Equalization Aid	3,562,610		3,562,610	3,562,610	
Categorical Security Aid	72,104		72,104	72,104	
Categorical Transportation Aid	180,956		180,956	180,956	
School Choice Aid	782,340		782,340	782,340	
Extraordinary Aid	270,690		270,690	339,805	69,115
Additional Non-Public Transportation Aid				4,550	4,550
On-Behalf (Non-Budgeted):					
TPAF Pension Contributions				2,370,751	2,370,751
NCGI Premium				27,037	27,037
TPAF Post Retirement Medical Benefits				652,590	652,590
TPAF Long Term Disability Insurance				894	894
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				515,729	515,729
Total State Sources	5,589,695		5,589,695	9,230,361	3,640,666
TOTAL REVENUES	17,367,967		17,367,967	21,265,879	3,897,912

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs:					
Grades 9-12 - Salaries of Teachers	\$ 4,492,309	\$ 104,856	\$ 4,597,165	\$ 4,592,081	\$ 5,084
Regular Programs - Home Instruction:					
Salaries of Teachers	54,626	(52,800)	1,826	1,813	13
Purchased Professional - Educational Services	20,000	(11,000)	9,000	8,550	450
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	20,000	(11,852)	8,148	8,148	
Purchased Technical Services	1,500		1,500	1,500	
Other Purchased Services (400-500 Series)	81,150	(6,921)	74,229	68,844	5,385
General Supplies	265,250	(134,870)	130,380	129,000	1,380
Textbooks	16,887	24,158	41,045	40,814	231
Other Objects	2,000	(1,360)	640	640	
Total Regular Programs - Instruction	4,953,722	(89,789)	4,863,933	4,851,390	12,543
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	116,244	(49,474)	66,770	66,770	
Other Salaries for Instruction	15,488	6,961	22,449	22,449	
General Supplies	1,000		1,000	1,000	
Total Cognitive - Mild	132,732	(42,513)	90,219	90,219	
Cognitive - Moderate:					
Salaries of Teachers	62,332	6,838	69,170	48,968	20,202
Other Salaries for Instruction	43,216	6,224	49,440	26,354	23,086
General Supplies	1,000	264	1,264	1,264	
Total Cognitive - Moderate	106,548	13,326	119,874	76,586	43,288

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Multiple Disabilities:					
Salaries of Teachers	\$ 68,599	\$ 29,436	\$ 98,035	\$ 98,035	
General Supplies	600	264	864	864	
Total Multiple Disabilities	69,199	29,700	98,899	98,899	
Resource Room/Resource Center:					
Salaries of Teachers	653,865	53,850	707,715	707,715	
General Supplies	1,000		1,000	808	\$ 192
Total Resource Room/Resource Center	654,865	53,850	708,715	708,523	192
Preschool Disabilities - Part-Time:					
Purchased Professional-Educational Services		47,472	47,472	46,818	654
Total Preschool Disabilities - Part-Time		47,472	47,472	46,818	654
Extended School Year:					
General Supplies		932	932	932	
Total Extended School Year		932	932	932	
Total Special Education Instruction	963,344	102,767	1,066,111	1,021,977	44,134
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	14,925	(14,925)			
Total Basic Skills/Remedial - Instruction	14,925	(14,925)			
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	162,334	15,975	178,309	178,309	
Purchased Services (300-500 Series)	28,000	(10,712)	17,288	17,288	
Supplies and Materials	25,610	(7,475)	18,135	18,135	
Other Objects	2,400	(240)	2,160	2,160	
Total School-Sponsored Cocurricular Activities - Instruction	218,344	(2,452)	215,892	215,892	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
School-Sponsored Athletics - Instruction:					
Salaries	\$ 427,695	\$ 39,137	\$ 466,832	\$ 466,656	\$ 176
Purchased Services (300-500 Series)	37,200	3,460	40,660	40,660	
Supplies and Materials	63,292	(20,652)	42,640	42,597	43
Other Objects	7,500	720	8,220	8,220	
Transfer to Cover Deficit (Agency Funds)	50,000		50,000	50,000	
Total School-Sponsored Athletics - Instruction	585,687	22,665	608,352	608,133	219
Other Instructional Programs - Instruction:					
Salaries	5,679	(5,679)			
Total Other Instructional Programs - Instruction	5,679	(5,679)			
Total Instruction	6,741,701	12,587	6,754,288	6,697,392	56,896
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within State - Special		33,600	33,600	27,424	6,176
Tuition to County Vocational School District - Regular	252,440	27,413	279,853	279,250	603
Tuition to Private Schools for the Handicapped - Within State	805,592	(198,859)	606,733	410,330	196,403
Tuition to State Facilities	41,075		41,075	41,075	
Tuition - Other		33,724	33,724	32,846	878
Total Undistributed Expenditures - Instruction:	1,099,107	(104,122)	994,985	790,925	204,060
Attendance and Social Work:					
Salaries	30,397		30,397	30,393	4
Total Attendance and Social Work	30,397		30,397	30,393	4

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Health Services:					
Salaries	\$ 254,184	\$ (10,000)	\$ 244,184	\$ 244,128	\$ 56
Purchased Professional and Technical Services	3,000	1,232	4,232	3,705	527
Supplies and Materials	10,000	(3,732)	6,268	6,199	69
Total Health Services	267,184	(12,500)	254,684	254,032	652
Other Support Services - Speech, OT, PT and Related Services:					
Salaries		9,460	9,460	5,931	3,529
Purchased Professional - Educational Services	115,000	(18,335)	96,665	69,833	26,832
Supplies and Materials	500		500	85	415
Total Other Support Services - Speech, OT, PT and Related Services	115,500	(8,875)	106,625	75,849	30,776
Other Support Services - Students - Extraordinary Services:					
Salaries	295,964	3,875	299,839	289,626	10,213
Total Other Support Services - Students - Extraordinary Services	295,964	3,875	299,839	289,626	10,213
Other Support Services - Guidance:					
Salaries of Other Professional Staff	521,720	(19,709)	502,011	501,726	285
Salaries of Secretarial and Clerical Assistants	84,113	8,974	93,087	93,087	
Other Purchased Professional and Technical Services	36,000	(1,575)	34,425	34,331	94
Other Purchased Services (400-500 Series)	5,500		5,500	5,411	89
Supplies and Materials	3,000	(2,430)	570	570	
Other Objects	800		800	800	
Total Other Support Services - Guidance	651,133	(14,740)	636,393	635,925	468

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Other Support Services - Child Study Team:					
Salaries of Other Professional Staff	\$ 258,254	\$ 5,111	\$ 263,365	\$ 259,906	\$ 3,459
Salaries of Secretarial and Clerical Assistants	43,365	(632)	42,733	42,733	
Other Purchased Professional and Technical Services	20,000	(873)	19,127	18,642	485
Miscellaneous Purchased Services (400-500 series)	2,000		2,000	2,000	
Supplies and Materials	2,000		2,000	1,898	102
Total Other Support Services - Child Study Team	325,619	3,606	329,225	325,179	4,046
Improvement of Instructional Services:					
Salaries of Supervisor of Instruction	194,178	(29,549)	164,629	164,289	340
Salaries of Other Professional Staff	5,163	4,434	9,597	9,597	
Salaries of Secretarial and Clerical Assistants	63,015	(4,435)	58,580	58,551	29
Other Objects	4,500		4,500	3,580	920
Total Improvement of Instructional Services	266,856	(29,550)	237,306	236,017	1,289
Educational Media Services/School Library:					
Salaries	120,684	(2,800)	117,884	117,857	27
Supplies and Materials	144,700	(66,932)	77,768	75,514	2,254
Other Objects	100		100	100	
Total Educational Media Services/School Library	265,484	(69,732)	195,752	193,471	2,281
Instructional Staff Training Services:					
Purchased Professional - Educational Services	2,000	2,244	4,244	1,895	2,349
Total Instructional Staff Training Services	2,000	2,244	4,244	1,895	2,349

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Support Services - General Administration:					
Salaries	\$ 246,705	\$ (294)	\$ 246,411	\$ 246,411	
Unused Vacation Payment to Terminated/Retired Staff	30,000	(30,000)			
Legal Services	45,000	12,767	57,767	57,767	
Audit Fees	26,500	8,000	34,500	34,500	
Other Purchased Professional Services		1,560	1,560	1,560	
Communications/Telephone	15,000	(4,055)	10,945	10,945	
BOE Other Purchased Services	3,000	(1,777)	1,223	1,223	
Miscellaneous Purchased Services (400-500 Series)	28,020	193	28,213	28,213	
General Supplies	2,000		2,000	2,000	
BOE Membership Dues and Fees	12,000	(658)	11,342	11,342	
Total Support Services - General Administration	408,225	(14,264)	393,961	393,961	
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	243,586		243,586	243,566	\$ 20
Salaries of Other Professional Staff	59,941		59,941	59,941	
Salaries of Secretarial and Clerical Assistants	63,239	2,882	66,121	66,118	3
Other Purchased Services (400-500 Series)	14,200	(1,415)	12,785	12,785	
Supplies and Materials	9,000	(3,812)	5,188	5,188	
Other Objects	2,500	2,260	4,760	4,760	
Total Support Services - School Administration	392,466	(85)	392,381	392,358	23

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Central Services:					
Salaries	\$ 339,176	\$ 7,906	\$ 347,082	\$ 347,081	\$ 1
Purchased Professional Services	10,000	3,756	13,756	13,756	
Purchased Technical Services	17,000	(4,331)	12,669	12,669	
Miscellaneous Purchased Services (400-500 Series)	9,000	4,058	13,058	13,058	
Supplies and Materials	2,000	(38)	1,962	1,962	
Miscellaneous Expenditures	1,200	750	1,950	1,950	
Total Central Services	378,376	12,101	390,477	390,476	1
Administrative Information Technology:					
Salaries	163,651	1,405	165,056	165,055	1
Total Administrative Information Technology	163,651	1,405	165,056	165,055	1
Required Maintenance of School Facilities:					
Salaries	55,239		55,239	54,280	959
Cleaning, Repair and Maintenance Services	242,273	(47,257)	195,016	145,722	49,294
General Supplies	30,000		30,000	25,621	4,379
Total Required Maintenance of School Facilities	327,512	(47,257)	280,255	225,623	54,632

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Custodial Services:					
Salaries	\$ 299,431	\$ 11,555	\$ 310,986	\$ 303,848	\$ 7,138
Purchased Professional and Technical Services	6,000		6,000	6,000	
Cleaning, Repair and Maintenance Services	25,000	500	25,500	25,496	4
Other Purchased Property Services	18,000		18,000	17,284	716
Insurance	236,899	15,351	252,250	252,250	
Miscellaneous Purchased Services	1,000	100	1,100	1,100	
General Supplies	80,000		80,000	79,726	274
Energy (Electricity)	235,000	(10,000)	225,000	201,602	23,398
Energy (Oil)	205,000	(24,787)	180,213	143,568	36,645
Other Objects	2,000		2,000	2,000	
Total Custodial Services	1,108,330	(7,281)	1,101,049	1,032,874	68,175
Care and Upkeep of Grounds:					
Salaries	180,688	850	181,538	181,537	1
Purchased Professional and Technical Services	4,000	(120)	3,880	2,850	1,030
Cleaning, Repair and Maintenance Services	60,000	(20,226)	39,774	7,778	31,996
General Supplies	30,000	619	30,619	28,231	2,388
Total Care and Upkeep of Grounds	274,688	(18,877)	255,811	220,396	35,415
Security:					
Salaries	167,678	10,795	178,473	178,471	2
Supplies		675	675	675	
Total Security	167,678	11,470	179,148	179,146	2

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Student Transportation Services:					
Salary for Pupil Transportation (Between Home & School) -					
Non-Public Schools	\$ 154,875	\$ 144,026	\$ 298,901	\$ 277,320	\$ 21,581
Management Fee - ESC & CTSA Transportation Program	23,000	(21,520)	1,480	1,480	
Cleaning, Repair and Maintenance Services	70,000		70,000	69,939	61
Lease Purchase Payments - School Buses	253,721	(52,552)	201,169	201,169	
Contracted Services:					
Between Home and School - Vendors	530,677	20,945	551,622	551,622	
Other than Between Home and School - Vendors	5,000	15,770	20,770	19,648	1,122
Special Education Students - Vendors	174,000	(39,012)	134,988	134,987	1
Aid in Lieu Payments - Nonpublic School	11,000	585	11,585	11,585	
Miscellaneous Purchased Services - Transportation	2,500	(610)	1,890	1,885	5
General Supplies	25,000	10,322	35,322	35,322	
Total Student Transportation Services	1,249,773	77,954	1,327,727	1,304,957	22,770
Unallocated Benefits:					
Social Security Contributions	186,883	72,245	259,128	259,108	20
Other Retirement Contribution - PERS	201,054	52,044	253,098	253,098	
Other Retirement Contribution - Regular	3,900		3,900	3,900	
Unemployment Compensation	20,000	(20,000)			
Workmen's Compensation	112,200	(17,372)	94,828	94,828	
Health Benefits	2,213,752	55,161	2,268,913	2,268,913	
Tuition Reimbursement	39,804	7,361	47,165	47,165	
Other Employee Benefits	90,000	33,162	123,162	123,162	
Unused Sick Payment to Terminated/Retired Staff	40,000	19,440	59,440	59,440	
Total Unallocated Benefits	2,907,593	202,041	3,109,634	3,109,614	20

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Unallocated Benefits (Cont'd):					
On-Behalf (Non-Budgeted):					
TPAF Pension Contributions				\$ 2,370,751	\$ (2,370,751)
NCGI Premium				27,037	(27,037)
TPAF Post Retirement Medical Benefits				652,590	(652,590)
TPAF Long Term Disability Insurance				894	(894)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)				515,729	(515,729)
Total On-Behalf and Reimbursed Contributions				3,567,001	(3,567,001)
Total Personal Services - Employee Benefits	\$ 2,907,593	\$ 202,041	\$ 3,109,634	6,676,615	(3,566,981)
Total Undistributed Expenses	10,697,536	(12,587)	10,684,949	13,814,773	(3,129,824)
TOTAL GENERAL CURRENT EXPENSE	17,439,237		17,439,237	20,512,165	(3,072,928)
CAPITAL OUTLAY:					
Equipment:					
Student Related Services		50,000	50,000	45,006	4,994
Administrative Information Technology	179,864		179,864	166,744	13,120
Total Equipment	179,864	50,000	229,864	211,750	18,114
Facilities Acquisition and Construction Services:					
Construction Services	300,000	(20,000)	280,000	279,642	358
Architectural/Engineering Services	36,287	(30,000)	6,287	5,215	1,072
Assessment for Debt Service on SDA Funding	2,339		2,339	2,685	(346)
Total Facilities Acquisition and Construction Services	338,626	(50,000)	288,626	287,542	1,084
Assets Acquired Under Financed Purchases (Non-Budgeted):					
Transportation - School Buses - Regular				295,335	(295,335)
Total Assets Acquired Under Financed Purchases (Non-Budgeted)				295,335	(295,335)
TOTAL CAPITAL OUTLAY	518,490		518,490	794,627	(276,137)

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL EXPENDITURES	\$ 17,957,727		\$ 17,957,727	\$ 21,306,792	\$ (3,349,065)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(589,760)		(589,760)	(40,913)	548,847
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)				295,335	295,335
Total Other Financing Sources/(Uses)				295,335	295,335
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(589,760)		(589,760)	254,422	844,182
Fund Balance, July 1	2,577,153		2,577,153	2,577,153	
Fund Balance, June 30	\$ 1,987,393	\$ -0-	\$ 1,987,393	\$ 2,831,575	\$ 844,182

Recapitulation:

Restricted:

Excess Surplus - 2025-2026

Capital Reserve

Unemployment Compensation

Assigned:

Designated for Subsequent Year's Expenditures

Unassigned Fund Balance

Reconciliation to Governmental Funds Statements (GAAP):

Last Two State Aid Payments not Recognized on GAAP Basis

Fund Balance per Governmental Funds (GAAP)

\$	100,000
	1,992,079
	59,070
	257,872
	422,554
	<u>2,831,575</u>
	<u>(526,459)</u>
\$	<u>2,305,116</u>

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources					
Federal Sources	\$ 418,317	\$ 407,049	\$ 407,049	\$ 407,049	
		4,335	422,652	475,447	\$ 52,795
Total Revenues	418,317	411,384	829,701	882,496	52,795
EXPENDITURES:					
Instruction:					
Salaries of Teachers	133,858	59,613	193,471	193,471	
Other Purchased Services	86,302		86,302	86,302	
General Supplies	34,216		34,216	33,475	741
Total Instruction	254,376	59,613	313,989	313,248	741
Support Services:					
Salaries of Other Professional Staff	11,599		11,599	10,440	1,159
Purchased Professional and Technical Services	111,942		111,942	111,942	
Other Purchased Services	15,376		15,376	15,376	
Supplies and Materials	14,724		14,724	14,441	283
Other Objects	300		300		300
Scholarships Awarded		15,650	15,650	15,650	
Student Activities		336,121	336,121	336,121	
Total Support Services	153,941	351,771	505,712	503,970	1,742

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services:					
Construction Services	\$ 10,000		\$ 10,000	\$ 10,000	
Total Facilities Acquisition and Construction Services	10,000		10,000	10,000	
Total Expenditures	\$ 418,317	\$ 411,384	\$ 829,701	827,218	\$ 2,483
Excess (Deficiency) of Revenue Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 55,278	\$ 55,278

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) from the Budgetary Comparison Schedule	\$ 21,265,879	\$ 882,496
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue While the GAAP Basis Does Not		
Prior Year Encumbrances		15,855
Cancellation of Prior Year Encumbrances		(15,855)
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	461,892	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(526,459)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 21,201,312</u>	<u>\$ 882,496</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 21,306,792	\$ 827,218
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 21,306,792</u>	<u>\$ 827,218</u>

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	I.D.E.A. Part B, Basic	ESSER II	CRRSA		Mental Health	Accelerated Learning	ARP Mental Health
REVENUE:							
Local Sources							
Federal Sources	\$ 164,352	\$ 10,000	\$ 5,314	\$ 9,724	\$ 1,088	\$ 32,804	
Total Revenue	164,352	10,000	5,314	9,724	1,088	32,804	
EXPENDITURES:							
Instruction:							
Salaries of Teachers	86,302						
Other Purchased Services							
General Supplies							
Total Instruction	86,302						
Support Services:							
Salaries of Other Professional Staff	78,050				1,088	32,804	
Purchased Professional and Technical Services							
Other Purchased Services			5,314	9,724			
Supplies and Materials							
Scholarships Awarded							
Student Activities							
Total Support Services	78,050		5,314	9,724	1,088	32,804	
Facilities Acquisition:							
Construction Services		10,000					
Total Facilities Acquisition		10,000					
Total Expenditures	\$ 164,352	\$ 10,000	\$ 5,314	\$ 9,724	\$ 1,088	\$ 32,804	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Elementary and Secondary Education Act					Student Activities	Scholarships	Totals
	Title I	Title II, Part A		Title IV	ACSERS			
REVENUE:								
Local Sources								
Federal Sources	\$ 63,652	\$ 10,062	\$ 10,000	\$ 168,451	\$ 383,671	\$ 23,378	\$ 407,049	
Total Revenue	63,652	10,062	10,000	168,451	383,671	23,378	882,496	
EXPENDITURES:								
Instruction:								
Salaries of Teachers	25,020			168,451			193,471	
Other Purchased Services							86,302	
General Supplies	23,475		10,000				33,475	
Total Instruction	48,495		10,000	168,451			313,248	
Support Services:								
Salaries of Other Professional Staff	10,440						10,440	
Purchased Professional and Technical Services							111,942	
Other Purchased Services		10,062					15,376	
Supplies and Materials	4,717						14,441	
Scholarships Awarded					336,121	15,650	15,650	
Student Activities							336,121	
Total Support Services	15,157	10,062			336,121	15,650	503,970	
Facilities Acquisition:								
Construction Services							10,000	
Total Facilities Acquisition							10,000	
Total Expenditures	\$ 63,652	\$ 10,062	\$ 10,000	\$ 168,451	\$ 336,121	\$ 15,650	\$ 827,218	

CAPITAL PROJECTS FUND
(NOT APPLICABLE)

PROPRIETARY FUNDS

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
JUNE 30, 2024

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 93,754
Intergovernmental Accounts Receivable:	
State	170
Federal	1,438
Interfund Receivable - General Fund	51,517
Inventories	6,706
	<hr/>

Total Current Assets	<hr/> 153,585 <hr/>
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Non-Current Assets:

Capital Assets:

Depreciable Furniture, Machinery & Equipment	127,387
Less: Accumulated Depreciation	(66,368)
	<hr/>

Total Non-Current Assets	<hr/> 61,019 <hr/>
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Total Assets	<hr/> 214,604 <hr/>
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LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	8,999
Unearned Revenue - Donated Commodities	3,114
Unearned Revenue - Prepaid Sales	3,761
	<hr/>

Total Liabilities	<hr/> 15,874 <hr/>
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NET POSITION:

Investment in Capital Assets	61,019
Unrestricted	137,711
	<hr/>

Total Net Position	<hr/> \$ 198,730 <hr/>
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LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Operating Revenue:

Local Sources:

Daily Sales - Reimbursable Programs	\$ 73,267
Daily Sales - Non-Reimbursable Programs	168,699
Miscellaneous	1,210
	<hr/>

Total Operating Revenue	<hr/> 243,176
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Operating Expenses:

Cost of Sales - Reimbursable Programs	47,371
Cost of Sales - Non-Reimbursable Programs	109,854
Salaries, Benefits & Payroll Taxes	134,591
Supplies, Insurance & Other Costs	2,569
Management Fee	10,568
Miscellaneous Expense	8,069
Depreciation Expense	2,292
	<hr/>

Total Operating Expenses	<hr/> 315,314
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Operating Income/(Loss)	(72,138)
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Non-Operating Income:

Interest Income	3,443
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State Sources:

State School Lunch Program	2,424
State School Breakfast Program	384
State After Bell Program	621
State Extended Income Eligibility - Breakfast	363
State Extended Income Eligibility - Lunch	1,428
NJ Grant for Café Equipment	20,000

Federal Sources:

Federal School Lunch Program	37,343
Federal School PB Lunch Program	1,799
Federal School Breakfast Program	10,522
Supply Chain Assistance Award	20,061
Food Distribution Program	17,682
COVID 19 Operational Reimbursement	653
	<hr/>

Total Non-Operating Income	<hr/> 116,723
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Change in Net Position	44,585
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Net Position - Beginning of Year	<hr/> 154,145
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Net Position - End of Year	<hr/> <hr/> \$ 198,730
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LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 246,937
Payments to Food Service Vendor	(287,036)
Payments for Miscellaneous Expenses	(8,069)
Net Cash (Used) for Operating Activities	(48,168)
Cash Flows from Investing Activities:	
Interest Income	3,443
Net Cash Provided by Investing Activities	3,443
Cash Flows from Noncapital Financing Activities:	
Interfund Collected in General Fund	(3,158)
State Sources	25,181
Federal Sources	70,904
Net Cash Provided by Noncapital Financing Activities	92,927
Net Cash (Used) for Capital and Related Financing Activities	
Purchase of Equipment	(40,560)
Net Cash (Used) for Capital and Related Financing Activities	(40,560)
Net Increase in Cash and Cash Equivalents	7,642
Cash and Cash Equivalents, July 1	86,112
Cash and Cash Equivalents, June 30	\$ 93,754
Reconciliation of Operating Loss to Net Cash (Used) for Operating Activities:	
Operating Loss	\$ (72,138)
Adjustment to Reconcile Operating Loss to Cash (Used) for Operating Activities:	
Depreciation	2,292
Food Distribution Program	17,682
Changes in Assets and Liabilities:	
(Increase)/Decrease in Inventory	207
Increase/(Decrease) in Unearned Revenue - Donated Commodities	(360)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	3,761
Increase/(Decrease) in Accounts Payable	388
Net Cash (Used) for Operating Activities	\$ (48,168)

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized USDA Donated Commodities through the Food Distribution Program valued at \$17,322 and \$17,682, respectively, for the fiscal year ended June 30, 2024.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

Item	Interest Rate	Original Issue	(Restated) Balance June 30, 2023	Issued	Matured	Balance June 30, 2024
Student Buses	1.46%	\$ 306,570	\$ 123,584		\$ 61,343	\$ 62,241
Student Buses	3.09%	83,438	65,844		15,718	50,126
Student Buses	3.70%	244,555	192,029		45,425	146,604
Student Buses	1.46%	295,335		\$ 295,335	64,229	231,106
			<u>\$ 381,457</u>	<u>\$ 295,335</u>	<u>\$ 186,715</u>	<u>\$ 490,077</u>

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

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

J-1 thru J-5

Revenue Capacity

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

J-6 thru J-9

Debt Capacity

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

J-10 thru J-13

Demographic and Economic Information

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

J-14 thru J-15

Operating Information

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

J-16 thru J-20

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	June 30,			
	2015	2016	2017	2018
Governmental Activities:				
Net Investment in Capital Assets	\$ 3,427,112	\$ 4,314,882	\$ 4,609,226	\$ 5,240,633
Restricted	1,901,747	1,655,810	1,673,010	1,614,139
Unrestricted/(Deficit)	(3,370,580)	(3,470,212)	(3,757,426)	(3,848,720)
Total Governmental Activities Net Position	\$ 1,958,279	\$ 2,500,480	\$ 2,524,810	\$ 3,006,052
Business-Type Activities:				
Investment in Capital Assets	\$ 17,769	\$ 15,791	\$ 14,059	\$ 12,574
Unrestricted	33,618	34,485	30,195	32,263
Total Business-Type Activities Net Position	\$ 51,387	\$ 50,276	\$ 44,254	\$ 44,837
District-Wide:				
Net Investment in Capital Assets	\$ 3,444,881	\$ 4,330,673	\$ 4,623,285	\$ 5,253,207
Restricted	1,901,747	1,655,810	1,673,010	1,614,139
Unrestricted/(Deficit)	(3,336,962)	(3,435,727)	(3,727,231)	(3,816,457)
Total District Net Position	\$ 2,009,666	\$ 2,550,756	\$ 2,569,064	\$ 3,050,889

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

UNAUDITED

(*accrual basis of accounting*)

	June 30,				
	2020	2021	2022	2023*	2024
Governmental Activities:					
Net Investment in Capital Assets					
Restricted	\$ 6,407,145	\$ 7,207,161	\$ 8,618,300	\$ 9,010,459	\$ 9,067,852
Unrestricted/(Deficit)	2,471,190	3,134,246	2,378,629	1,583,332	2,419,287
	(3,572,648)	(3,256,833)	(2,376,066)	(2,242,644)	(2,736,361)
Total Governmental Activities Net Position	\$ 5,305,687	\$ 7,084,574	\$ 8,620,863	\$ 8,351,147	\$ 8,750,778
Business-Type Activities:					
Investment in Capital Assets					
Unrestricted	\$ 9,603	\$ 8,117	\$ 10,543	\$ 22,751	\$ 61,019
	20,746	1,400	89,305	131,394	137,711
Total Business-Type Activities Net Position	\$ 30,349	\$ 9,517	\$ 99,848	\$ 154,145	\$ 198,730
District-Wide:					
Net Investment in Capital Assets					
Restricted	\$ 6,416,748	\$ 7,215,278	\$ 8,628,843	\$ 9,033,210	\$ 9,128,871
Unrestricted/(Deficit)	2,471,190	3,134,246	2,378,629	1,583,332	2,419,287
	(3,551,902)	(3,255,433)	(2,286,761)	(2,111,250)	(2,598,650)
Total District Net Position	\$ 5,336,036	\$ 7,094,091	\$ 8,720,711	\$ 8,505,292	\$ 8,949,508

* - Restated

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,			
	2015	2016	2017	2018
				2019
Total District Program Revenues	\$ 2,455,303	\$ 2,596,809	\$ 2,756,515	\$ 6,020,565
				\$ 4,920,462
Net (Expense)/Revenue				
Governmental Activities	\$ (14,717,333)	\$ (15,680,749)	\$ (17,086,927)	\$ (14,285,111)
Business-type Activities	9,402	(1,205)	(6,110)	508
				(5,135)
Total District-wide Net Expense	\$ (14,707,931)	\$ (15,681,954)	\$ (17,093,037)	\$ (14,281,658)
Governmental Activities:				
Property Taxes Levied for General Purposes, net	\$ 9,978,605	\$ 10,078,391	\$ 10,279,958	\$ 10,485,557
Federal and State Aid not Restricted	5,679,418	6,125,987	7,144,624	4,272,042
Investment Earnings	4,997	5,160	5,157	5,158
Miscellaneous Income	34,635	13,412	3,929	3,496
Transfer	(13,828)			81,572
Total Governmental Activities	15,683,827	16,222,950	17,433,668	14,766,253
				15,062,080
Business-Type Activities:				
Transfer In	13,828			
Investment Earnings	90	94	88	75
Total Business-Type Activities	13,918	94	88	75
Total District-Wide	\$ 15,697,745	\$ 16,223,044	\$ 17,433,756	\$ 14,766,328
				\$ 15,062,155
Change in Net Position:				
Governmental Activities	\$ 966,494	\$ 542,201	\$ 346,741	\$ 481,142
Business-type Activities	23,320	(1,111)	(6,022)	583
Total District	\$ 989,814	\$ 541,090	\$ 340,719	\$ 481,725
				\$ 785,557
				(5,060)
				\$ 780,497

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
2024				
Expenses:				
Governmental Activities				
Instruction:				
Regular	\$ 7,069,901	\$ 7,450,753	\$ 7,726,549	\$ 7,680,724
Special Education	1,302,441	1,335,553	1,566,393	1,718,800
Other Instruction	27,703	11,245	54,593	37,794
School Sponsored	1,129,589	1,131,560	826,680	890,765
Support Services:				
Tuition	648,534	861,662	1,026,972	699,043
Student & Instruction Related Services	2,851,974	2,942,709	3,108,963	3,153,367
General and Business Administrative Services	532,104	564,380	509,882	432,641
School Administrative Services	587,118	599,201	486,320	599,008
Central Services	618,705	631,092	455,206	474,922
Administrative Information Technology	217,422	204,009	178,850	199,158
Plant Operations and Maintenance	1,696,402	1,364,999	1,739,712	1,872,415
Pupil Transportation	877,504	1,116,545	1,113,966	1,180,001
Capital Outlay			44,427	398,369
Total Governmental Activities Expenses	17,559,397	18,213,708	18,838,513	19,337,007
Business-Type Activities:				
Food Service	158,758	69,240	288,080	296,065
Total Business-type Activities Expense	158,758	69,240	288,080	296,065
Total District Expenses	\$ 17,718,155	\$ 18,282,948	\$ 19,126,593	\$ 19,633,072
Program Revenues				
Charges for Services - Tuition	\$ 15,211	\$ 223,654	\$ 275,834	\$ 294,264
Operating Grants and Contributions and Charges for Services	4,069,263	4,492,072	4,505,258	3,297,618
Total Governmental Activities Program Revenues	4,084,474	4,715,726	4,781,092	3,591,882
Business-Type Activities:				
Charges for Services:				
Food Service	104,764	2,462	83,670	241,971
Operating Grants and Contributions	44,502	45,928	282,331	108,243
Total Business-type Activities Program Revenues	149,266	48,390	366,001	350,214
				243,176
				93,280
				336,456

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Total District Program Revenues	\$ 4,233,740	\$ 4,764,116	\$ 5,147,093	\$ 3,942,096
Net (Expense)/Revenue				\$ 4,279,943
Governmental Activities	\$ (13,474,923)	\$ (13,497,982)	\$ (14,057,421)	\$ (15,745,125)
Business-type Activities	(9,492)	(20,850)	77,921	54,149
Total District-wide Net Expense	\$ (13,484,415)	\$ (13,518,832)	\$ (13,979,500)	\$ (15,690,976)
General Revenues and Other Changes in Net Position				\$ (15,964,783)
Governmental Activities:				
Property Taxes Levied for General Purposes, net	\$ 10,909,173	\$ 11,127,356	\$ 11,238,630	\$ 11,397,220
Federal and State Aid not Restricted	4,195,809	4,084,532	4,318,014	4,185,675
Investment Earnings				
Miscellaneous Income	49,794	64,981	49,416	94,984
Transfer			(12,350)	
Total Governmental Activities	15,154,776	15,276,869	15,593,710	15,677,879
Business-Type Activities:				16,385,556
Transfer In			12,350	
Investment Earnings	64	18	60	147
Total Business-Type Activities	64	18	12,410	147
Total District-Wide	\$ 15,154,840	\$ 15,276,887	\$ 15,606,120	\$ 15,678,026
Change in Net Position:				\$ 16,388,999
Governmental Activities	\$ 1,679,853	\$ 1,778,887	\$ 1,536,289	\$ (67,246)
Business-type Activities	(9,428)	(20,832)	90,331	54,296
Total District	\$ 1,670,425	\$ 1,758,055	\$ 1,626,620	\$ (12,950)
				\$ 424,216

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT

FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	June 30,				
	2015	2016	2017	2018	2019
General Fund:					
Restricted	\$ 1,901,747	\$ 1,655,810	\$ 1,673,010	\$ 1,614,139	\$ 1,740,680
Assigned	49,799	51,226	66,372	66,251	606,818
Total General Fund	<u>\$ 1,951,546</u>	<u>\$ 1,707,036</u>	<u>\$ 1,739,382</u>	<u>\$ 1,680,390</u>	<u>\$ 2,347,498</u>
All Other Governmental Funds:					
Restricted					
Total All Other Governmental Funds	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
	June 30,				
	2020	2021	2022	2023	2024
General Fund:					
Restricted	\$ 2,302,633	\$ 2,937,008	\$ 2,163,330	\$ 1,370,472	\$ 2,151,149
Assigned	383,565	230,180	527,780	589,760	153,967
Unassigned/(Deficit)		397,174	477,622	155,029	
Total General Fund	<u>\$ 2,686,198</u>	<u>\$ 3,564,362</u>	<u>\$ 3,168,732</u>	<u>\$ 2,115,261</u>	<u>\$ 2,305,116</u>
All Other Governmental Funds:					
Restricted	\$ 168,557	\$ 197,238	\$ 215,823	\$ 212,860	\$ 268,138
Total All Other Governmental Funds	<u>\$ 168,557</u>	<u>\$ 197,238</u>	<u>\$ 215,823</u>	<u>\$ 212,860</u>	<u>\$ 268,138</u>

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Revenues:					
Tax Levy	\$ 9,978,605	\$ 10,078,391	\$ 10,279,958	\$ 10,485,557	\$ 10,695,268
Tuition from Individuals					
Tuition from Other LEA's Within the State	107,316	61,909	48,180	3,369	38,122
Rents and Royalties					18,270
Sale of Property					
Interest Earnings	538	545	542	543	497
Miscellaneous	39,094	18,027	8,544	8,111	62,805
State Sources	5,987,231	6,296,700	6,516,128	6,829,087	7,286,156
Federal Sources	206,084	215,172	205,084	213,238	224,534
Total Revenue	16,318,868	16,670,744	17,058,436	17,539,905	18,325,652
Expenditures					
Instruction:					
Regular Instruction	4,584,166	4,867,079	4,336,141	4,469,507	4,451,610
Special Education Instruction	725,867	734,628	762,737	727,284	741,273
Other Instruction	75,022	77,462	78,675	58,124	32,915
School Sponsored Instruction	648,906	644,529	675,145	690,191	724,231
Support Services:					
Tuition	710,774	1,012,087	1,123,175	1,047,932	1,052,761
Student & Instruction Related Services	1,523,384	1,652,685	1,735,429	1,780,864	1,834,919
General Administrative Services	305,428	398,332	335,394	329,045	353,251
School Administrative Services	458,080	312,169	405,750	342,462	336,226
Central Services and	370,205	381,885	393,190	365,496	398,880
Administrative Information Technology	118,312	123,955	125,167	132,738	136,734
Plant Operations and Maintenance	1,369,647	1,205,019	1,250,991	1,299,442	1,318,911
Student Transportation	756,633	821,311	896,039	866,803	938,779
Unallocated Benefits	3,197,475	3,488,283	3,932,919	4,446,593	4,859,899

Exhibit J-4
2 of 4

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Expenditures					
Capital Outlay	\$ 1,797,220	\$ 1,195,830	\$ 1,005,972	\$ 1,042,416	\$ 542,387
Total Expenditures	16,641,119	16,915,254	17,056,724	17,598,897	17,722,776
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	(322,251)	(244,510)	1,712	(58,992)	602,876
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)	96,967		30,634		64,232
Transfers Out	(13,828)				
Total Other Financing Sources/(Uses)	83,139		30,634		64,232
Net Change in Fund Balances	\$ (239,112)	\$ (244,510)	\$ 32,346	\$ (58,992)	\$ 667,108
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,			
	2020	2021	2022	2023
Revenues:				
Tax Levy	\$ 10,909,173	\$ 11,127,356	\$ 11,238,630	\$ 11,397,220
Tuition from Individuals	850			
Tuition from Other LEA's Within the State	14,361	60,700	23,463	35,407
Rents and Royalties	9,548	9,135	11,030	11,333
Sale of Property	10,000			30,000
Interest Earnings	494	457	439	523
Miscellaneous	29,752	219,343	293,318	352,392
State Sources	7,128,242	7,757,286	8,326,535	8,421,797
Federal Sources	252,467	259,880	882,281	566,394
Total Revenue	18,354,887	19,434,157	20,775,696	20,779,659
Expenditures				
Instruction:				
Regular Instruction	4,123,686	4,347,790	4,604,970	4,884,681
Special Education Instruction	788,003	820,546	957,521	1,157,331
Other Instruction	27,703	11,245	54,593	37,794
School Sponsored Instruction	711,617	700,649	752,427	832,725
Support Services:				
Tuition	648,534	861,662	1,026,972	699,043
Student & Instruction Related Services	1,824,378	1,929,010	2,177,597	2,513,962
General Administrative Services	352,402	384,405	389,294	381,628
School Administrative Services	324,862	334,867	329,474	387,201
Central Services and	392,604	401,494	333,228	371,722
Administrative Information Technology	138,031	134,236	127,279	156,500
Plant Operations and Maintenance	1,343,130	1,263,515	1,512,311	1,653,060
Student Transportation	857,713	857,267	1,091,670	1,193,919
Unallocated Benefits	4,684,432	5,267,974	6,046,407	6,302,159
				824,025
				790,925
				2,394,158
				393,961
				392,358
				390,476
				165,055
				1,658,039
				1,304,957
				6,676,615

Exhibit J-4
4 of 4

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	Fiscal Year Ending June 30,				
	2020	2021	2022	2023	2024
Expenditures					
Capital Outlay	\$ 1,834,557	\$ 1,519,222	\$ 1,820,610	\$ 1,008,848	\$ 804,627
Total Expenditures	18,051,652	18,833,882	21,224,353	21,580,573	22,134,010
Excess/(Deficiency) of Revenue Over/(Under) Expenditures	303,235	600,275	(448,657)	(800,914)	(50,202)
Other Financing Sources/(Uses):					
Financed Purchases (Non-Budgeted)		306,570	83,438		295,335
Transfers Out			(12,350)		
Total Other Financing Sources/(Uses)		306,570	71,088		295,335
Net Change in Fund Balances	\$ 303,235	\$ 906,845	\$ (377,569)	\$ (800,914)	\$ 245,133
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Sale of Property</u>	<u>Other</u> <u>Miscellaneous</u>	<u>Rents and</u> <u>Royalties</u>	<u>Total</u>
2015	\$ 5,384	\$ 107,316		\$ 34,248		\$ 146,948
2016	5,160	61,909		13,412		80,481
2017	4,339	48,180		4,747		57,266
2018	4,633	3,369		4,021		12,023
2019	6,423	38,122		56,879	\$ 18,270	119,694
2020	5,789	15,211		34,457	9,548	65,005
2021	7,046	60,700		48,800	9,135	125,681
2022	5,929	23,463		32,457	11,030	72,879
2023	7,061		\$ 30,000	46,590	11,333	94,984
2024	109,120	35,407	83,101	57,107	11,646	296,381

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED

Byram Township

Year Ended Dec, 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Actual (County Equalized Value)
2014	\$15,872,700	\$815,375,600	\$15,346,800	\$738,600	\$79,509,100	\$ 1,881,100	\$ 1,115,600	\$ 929,839,500	\$65,358,100	\$ 170,951	\$ 930,010,451	\$ 1.23	\$ 983,104,528
2015	16,159,100	812,932,400	15,834,200	740,800	77,996,100	1,881,100	1,115,600	926,659,300	66,725,200		926,659,300	1.25	961,176,097
2016	15,654,400	813,991,600	14,976,800	723,400	77,065,800	1,881,100	1,115,600	925,408,700	67,800,200		925,408,700	0.86	965,576,690
2017	15,300,000	814,380,700	15,020,200	722,000	78,079,400	1,881,100	1,115,600	926,499,000	67,931,100		926,499,000	0.86	967,681,544
2018	15,247,700	812,600,000	16,201,300	670,800	77,322,400	1,881,100	1,115,600	925,038,900	68,355,600		925,038,900	0.70	990,189,256
2019	15,425,100	812,944,700	16,437,900	679,400	77,727,200	1,881,100	1,115,600	926,211,000	68,777,800		926,211,000	0.70	997,309,619
2020	15,071,800	811,597,100	17,128,900	658,500	77,217,100	1,881,100	1,115,600	924,670,100	69,840,700		924,670,100	1.37	994,155,430
2021	16,885,200	812,529,900	17,675,300	661,700	78,259,600	1,881,100	1,115,600	929,008,400	70,920,500		924,670,100	1.30	1,017,984,533
2022	13,919,000	812,535,100	18,422,400	643,900	78,259,600	1,881,100	1,115,600	926,776,700	71,943,600		926,776,700	1.30	1,090,905,865
2023	13,583,600	812,049,400	18,914,700	662,800	78,343,700	1,881,100	1,115,600	926,550,900	74,129,300		926,550,900	1.35	1,184,352,016

Netcong Borough

Year Ended Dec, 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Actual (County Equalized Value)
2014	\$ 6,000,500	\$237,191,500			\$42,855,300	\$17,413,500	\$25,781,800	\$ 329,242,600	\$21,735,000		\$ 329,242,600	\$ 0.90	\$ 276,798,948
2015	5,840,000	236,807,700			41,890,700	17,413,500	25,781,800	327,733,700	21,435,500		327,733,700	1.00	257,290,637
2016	6,359,000	234,351,300			41,198,400	17,413,500	25,781,800	325,104,000	22,047,400		325,104,000	0.98	264,140,396
2017	6,359,000	233,929,500			41,275,900	17,413,500	25,781,800	324,759,700	22,052,400		324,759,700	0.99	265,424,494
2018	6,313,900	232,897,600			41,092,600	17,413,500	25,781,800	323,499,400	22,052,400		323,499,400	1.16	270,035,525
2019	6,009,800	232,005,400			40,992,600	17,413,500	25,781,800	322,203,100	22,249,200		322,203,100	1.21	302,238,491
2020	5,689,300	232,648,600			40,722,200	17,413,500	25,781,800	322,255,400	21,653,500		322,255,400	1.25	313,418,931
2021	4,249,600	220,460,800			37,011,300	18,957,200	43,978,800	324,657,700	31,870,700		324,657,700	1.26	291,426,377
2022	4,357,800	220,242,100			36,924,500	18,957,200	38,438,800	318,920,400	35,850,600		318,920,400	1.30	322,543,022
2023	4,357,800	220,792,600			36,078,600	20,296,000	38,438,800	319,963,800	36,288,500		319,963,800	1.42	343,170,632

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
UNAUDITED

Stanhope Borough

Year Ended Dec, 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Actual (County Equalized Value)
2014	\$ 2,744,000	\$261,244,700		\$ 18,100	\$22,286,500	\$ 4,445,500	\$ 3,191,900	\$ 293,930,700	\$41,704,100	\$ 758	\$ 293,931,458	\$ 1.38	\$ 329,032,732
2015	2,809,100	261,017,000		18,100	22,087,800	4,445,500	3,194,200	293,571,700	41,230,300	828	293,572,528	1.42	329,682,772
2016	2,881,600	261,375,600		18,100	22,087,800	4,445,500	3,194,200	294,002,800	41,157,800	711	294,003,511	1.04	318,979,554
2017	2,674,300	261,114,800		19,300	22,128,600	4,445,500	3,194,200	293,576,700	41,397,600	683	293,577,383	1.07	319,640,920
2018	2,653,900	261,299,400		19,300	22,153,800	4,445,500	3,194,200	293,766,100	41,269,700	651	293,766,751	1.52	315,261,868
2019	2,653,900	261,808,300		19,300	22,104,800	4,445,500	3,194,200	294,226,000	41,045,900	552	294,226,552	1.55	325,155,173
2020	2,653,911	261,922,500		19,300	22,104,800	4,445,500	3,194,200	294,340,211	41,608,700		294,340,211	1.61	331,859,380
2021	2,604,600	262,542,500		18,100	21,906,800	4,445,500	3,194,200	294,711,700	41,764,300		294,711,700	1.67	331,497,319
2022	2,604,600	264,077,700		18,100	21,906,800	4,445,500	3,194,200	296,246,900	41,846,300		296,246,900	1.69	350,519,794
2023	2,463,200	264,267,800		18,100	23,082,700	4,445,500	3,194,200	297,471,500	42,062,400		297,471,500	1.69	392,095,489

Source: Municipal Tax Assessors and State of New Jersey Website

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS

UNAUDITED

(rate per \$100 of assessed value)

Byram Township

Year Ended December 31,	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Total Direct	Municipality	County	
2014	\$ 1.227	\$ 1.227	\$ 0.864	\$ 0.552	\$ 3.308
2015	1.249	1.249	0.888	0.534	3.339
2016	0.863	0.863	0.913	0.578	3.020
2017	0.857	0.857	0.928	0.595	3.067
2018	1.289	0.699	0.935	0.622	2.955
2019	1.299	0.699	0.946	0.624	2.968
2020	1.374	1.374	0.945	0.627	3.645
2021	1.296	1.296	0.952	0.643	3.604
2022	1.304	1.304	0.964	0.662	3.660
2023	1.345	1.345	0.992	0.660	3.762

Netcong Borough

Year Ended December 31,	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Total Direct	Municipality	County	
2014	\$ 0.898	\$ 0.898	\$ 0.756	\$ 0.215	\$ 2.371
2015	0.996	0.996	0.775	0.197	2.479
2016	0.981	0.981	0.797	0.197	2.474
2017	0.989	0.989	0.821	0.212	2.526
2018	1.158	1.158	0.840	0.217	2.752
2019	1.209	1.209	0.861	0.245	2.927
2020	1.249	1.249	0.883	0.245	3.075
2021	1.264	1.264	0.901	0.233	3.122
2022	1.301	1.301	0.942	0.259	3.243
2023	1.417	1.417	0.983	0.272	3.446

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Stanhope Borough

Year Ended December 31,	Direct Rate		Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Total Direct	Municipality	County	
2014	\$ 1.378	\$ 1.378	\$ 1.103	\$ 0.585	\$ 3.758
2015	1.423	1.423	1.115	0.578	3.863
2016	1.042	1.042	1.131	0.612	3.596
2017	1.067	1.067	1.141	0.621	3.637
2018	1.523	1.523	1.157	0.624	4.113
2019	1.549	1.549	1.168	0.641	4.157
2020	1.611	1.611	1.191	0.659	4.240
2021	1.671	1.671	1.218	0.659	4.301
2022	1.687	1.687	1.235	0.666	4.323
2023	1.687	1.687	1.289	0.681	4.424

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.

Source: Municipal Tax Collectors and School Business Administrator

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Byram Township						
2024			2015			
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank
Gordon Byram Associates, LLC	\$ 14,961,700	1	1.61%	Gordon Byram Assoc, LLC	\$ 17,712,100	1
Tilcon New York, Inc	5,112,100	2	0.55%	Byram Land Development, LLC	5,043,700	2
Panther Lake Camping Resort, Inc	4,656,600	3	0.50%	Byram Self Storage, LLC	4,250,000	3
YK Realty Co LLC	4,233,500	4	0.46%	Lynes Nissan	2,875,000	4
Byram Self Storage	3,900,000	5	0.42%	Panther Lake Camping Resort Inc	2,717,300	5
Quickchek Corp	3,187,400	6	0.34%	206 Acorn Development Corp	2,296,600	6
Nielsen Nissan	2,875,000	7	0.31%	Lake Lackawanna Investment Co.	1,909,500	7
206 Acorn Development Corp	1,951,400	8	0.21%	Federal National Mortgage Assoc.	1,903,300	8
Individual Taxpayer #1	1,723,900	9	0.19%	Individual Taxpayer #1	1,668,300	9
55 Lackawana Development, LLC	1,700,000	10	0.18%	B V J & P Inc.	1,502,500	10
Total	\$ 44,301,600		4.77%		\$ 41,878,300	
						4.50%

Netcong Borough						
Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Netcong Heights	\$ 32,890,900	1	10.28%	\$ 16,768,084	1	5.09%
Dowel-Netcong, LLC	8,953,500	2	2.80%	6,005,314	2	1.82%
Semper Development Group, LLC	4,150,000	3	1.30%	2,729,688	3	0.83%
Netcong 201 LLC Morris Canal Plaza	3,216,300	4	1.01%	2,469,978	4	0.75%
Great Northern Love Lane 59 LLC	3,002,000	5	0.94%	2,185,944	5	0.66%
Great Nroteher 69 Love Lane LLC	2,833,300	6	0.89%	2,093,192	6	0.64%
Store Master Funding LLC	2,719,200	7	0.85%	1,959,994	7	0.60%
El Coyote LLC	1,960,000	8	0.61%	1,913,674	8	0.58%
Netcong Property Holding LLC	1,957,100	9	0.61%	1,612,841	9	0.49%
Bell Atlantic - NJ	1,944,900	10	0.61%	1,334,047	10	0.41%
Total	\$ 63,627,200		19.90%	\$ 39,072,756		11.87%

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Stanhope Borough						
Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	Rank % of Total District Net Assessed Value
Metro SH Storage, LLC/Metro Storage	\$ 3,611,600	1	1.21%	Stanhope Storage, LLC	\$ 3,611,600	1 1.23%
US Mineral Products Co.	1,701,900	2	0.57%	US Mineral Products Co	1,701,900	2 0.58%
10 Furnace Street, LLC	1,308,000	3	0.44%	Netcong Development, LLC	1,308,000	3 0.45%
Heritage Crossing LLC	1,270,800	4	0.43%	Heritage, Crossing, LLC	1,270,800	4 0.43%
Individual Taxpayer #1	1,129,000	5	0.38%	Individual Taxpayer 1	1,140,000	5 0.39%
Jorawar Fuel LLC	993,000	6	0.33%	Individual Taxpayer 2	1,129,000	6 0.38%
Juntos Holdings LLC	979,300	7	0.33%	Individual Taxpayer 3	979,300	7 0.33%
Lakeland Bank	953,600	8	0.32%	AHS Enterprises LLC	953,600	8 0.32%
Individual Taxpayer #2	950,000	9	0.32%	LLP Mortgage, LTD	851,500	9 0.29%
Individual Taxpayer #3	851,500	10	0.29%	Lakeland Bank	685,300	10 0.23%
Total	\$ 13,748,700		3.41%		\$ 13,631,000	4.63%

Note: Individual taxpayers may be different in 2024 and 2015.

Source: Municipal Tax Assessor

LENAPE VALLEY REGIONAL HIGH 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 ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 9,978,605	\$ 9,978,605	100.00%	\$ -0-
2016	10,078,391	10,078,391	100.00%	-0-
2017	10,279,958	10,279,958	100.00%	-0-
2018	10,485,557	10,485,557	100.00%	-0-
2019	10,695,268	10,695,268	100.00%	-0-
2020	10,909,173	10,909,173	100.00%	-0-
2021	11,127,356	11,127,356	100.00%	-0-
2022	11,238,630	11,238,630	100.00%	-0-
2023	11,397,220	11,397,220	100.00%	-0-
2024	11,739,137	11,739,137	100.00%	-0-

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

(dollars in thousands, except per capita)

Fiscal Year Ended June 30,	Governmental Activities Financed Purchases	Total District	Percentage of Personal Income ^a	Per Capita ^a
2015	\$ 155,291	\$ 155,291	0.02%	\$ 10.59
2016	77,435	77,435	0.01%	5.32
2017	72,484	72,484	0.01%	5.00
2018	37,314	37,314	0.00%	2.58
2019	62,598	62,598	0.01%	4.35
2020	44,886	44,886	0.00%	3.14
2021	269,914	269,914	0.02%	17.68
2022	280,950	280,950	0.02%	18.32
2023	381,457 *	381,457	0.03%	24.78
2024	490,077	490,077	0.04%	31.84

* - Restated

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

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

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

NOT APPLICABLE

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
UNAUDITED
AS OF DECEMBER 31, 2023

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Debt Repaid With Property Taxes</u>			
Township of Byram	\$ 1,568,506	100.00%	\$ 1,568,506
Borough of Netcong	3,697,085	100.00%	3,697,085
Borough of Stanhope	2,296,731	100.00%	2,296,731
Morris County County General Obligation Debt (All Constituent Municipalities) (1)	326,425,422	0.32%	1,041,199
Sussex County County General Obligation Debt (All Constituent Municipalities) (2)	88,319,376	7.44%	<u>6,570,962</u>
Subtotal, Overlapping Debt			15,174,483
Lenape Valley Regional School District Direct Debt			<u>-0-</u>
Total Direct and Overlapping Debt			<u>\$ 15,174,483</u>
(2) Township of Byram/County of Sussex -	5.59%		
(1) Borough of Netcong/County of Morris -	0.32%		
(2) Borough of Stanhope/County of Sussex -	1.85%		

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

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2024

Year	Township of Byram	Borough of Netcong	Borough of Stanhope	Total Equalized Valuation Basis
2021	\$ 1,089,037,281	\$ 318,698,047	\$ 347,660,375	\$ 1,755,395,703
2022	1,183,622,861	330,933,278	389,388,670	\$ 1,903,944,809
2023	1,286,876,250	347,552,320	429,747,905	\$ 2,064,176,475
	<u>\$3,559,536,392</u>	<u>\$ 997,183,645</u>	<u>\$ 1,166,796,950</u>	<u>\$5,723,516,987</u>
Average Equalized Valuation of Taxable Property				<u>\$1,907,838,996</u>
Debt Limit (4% of average equalization value) ^a				\$ 76,313,560
Net Bonded School Debt as of June 30, 2024				-0-
Legal Debt Margin				<u>\$ 76,313,560</u>

	Fiscal Year Ending June 30,				
	2015	2016	2017	2018	2019
Debt Limit	\$ 63,653,897	\$ 62,434,615	\$ 61,931,004	\$ 62,035,460	\$ 63,354,827
Total Net Debt Applicable to Limit					
Legal Debt Margin	<u>\$ 63,653,897</u>	<u>\$ 62,434,615</u>	<u>\$ 61,931,004</u>	<u>\$ 62,035,460</u>	<u>\$ 63,354,827</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

	Fiscal Year Ending June 30,				
	2020	2021	2022	2023	2024
Debt Limit	\$ 64,294,583	\$ 65,096,438	\$ 66,893,978	\$ 70,583,403	\$ 76,313,560
Total Net Debt Applicable to Limit					
Legal Debt Margin	<u>\$ 64,294,583</u>	<u>\$ 65,096,438</u>	<u>\$ 66,893,978</u>	<u>\$ 70,583,403</u>	<u>\$ 76,313,560</u>
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Byram Township

Year	Sussex County				
	Population ^a	Personal Income ^b	Per Capita Personal Income ^c		Unemployment Rate ^d
2015	8,060	\$ 449,119,320	\$	55,722	5.10%
2016	7,992	458,157,384		57,327	4.50%
2017	7,974	471,614,256		59,144	4.20%
2018	7,952	489,294,512		61,531	3.70%
2019	7,945	510,736,380		64,284	3.20%
2020	7,890	535,052,460		67,814	8.60%
2021	8,061	572,806,599		71,059	5.80%
2022	8,115	581,610,165		71,671	3.50%
2023	8,152	584,261,992	***	71,671	* 4.00%
2024	8,152	** 584,261,992	***	71,671	* N/A

Netcong Borough

Year	Population ^a	Morris County			Unemployment Rate ^d
		Personal Income ^b	Per Capita Personal Income ^c		
2015	3,219	\$ 284,231,262	\$ 88,298		6.20%
2016	3,204	292,371,408	91,252		5.70%
2017	3,191	298,498,904	93,544		5.30%
2018	3,165	307,777,260	97,244		4.80%
2019	3,129	310,209,060	99,140		4.10%
2020	3,122	319,152,694	102,227		12.10%
2021	3,658	394,211,686	107,767		7.10%
2022	3,661	408,556,617	111,597		4.70%
2023	3,665	409,003,005	***	111,597 *	5.80%
2024	3,665 **	409,003,005	***	111,597 *	N/A

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
UNAUDITED

Stanhope Borough				
Year	Population ^a	Personal Income ^b	Sussex County	
			Per Capita Personal Income ^c	Unemployment Rate ^d
2015	3,387	\$ 188,730,414	\$ 55,722	5.50%
2016	3,355	192,332,085	57,327	5.30%
2017	3,335	197,245,240	59,144	4.60%
2018	3,323	204,467,513	61,531	4.20%
2019	3,311	212,844,324	64,284	3.30%
2020	3,288	222,972,432	67,814	9.90%
2021	3,545	251,904,155	71,059	5.80%
2022	3,560	255,148,760	71,671	3.40%
2023	3,575	256,223,825 ***	71,671 *	4.10%
2024	3,575 **	256,223,825 ***	71,671 *	N/A

* - Latest Sussex/Morris County per capita personal income available (2022) was used for calculation purposes.

** - Latest population data available (2023) was used for calculation purposes.

*** - Latest Township/Borough personal income available (2022) was used for calculation purposes.

N/A - Information not available

Source:

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

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF SUSSEX
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2023			2014		
Employer	Percentage of Total		Employer	Percentage of Total	
	Employees	Employment		Employees	Employment
Selective Insurance Group Inc.	1,000-4,999	1.43%-7.17%	Newton Medical Center	1,000-4,999	1.36%-6.78%
Crystal Springs Resort	1,000-4,999	0.72%-1.43%	Selective Insurance Group Inc.	1,000-4,999	1.36%-6.78%
Newton Medical Center	500-999	0.72%-1.43%	Mountain Creek Resort	500-999	0.68%-1.35%
Sussex County Offices	500-999	0.36%-0.72%	Thorlabs	500-999	0.68%-1.35%
Thorlabs	500-999	0.14%-0.36%	Sussex County Offices	500-999	0.68%-1.35%
Mountain Creek Resort	500-999	0.14%-0.36%	Ames Rubber Corp.	250-499	0.34%-0.68%
Shop Rite	250-499	0.14%-0.36%	Raider Express	250-499	0.34%-0.68%
Sussex County Community College	250-499	0.14%-0.36%	Sussex County Community College	250-499	0.34%-0.68%
United Methodist Community Bristol Glen	250-499	0.14%-0.36%	Mountain Creek Waterpark	100-249	0.14%-0.34%
N/A			A&P Food Store	100-249	0.14%-0.34%
Total	75,673		Total	73,737	

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - COUNTY OF MORRIS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2023			2014		
	Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
	Atlantic Health System	10,552	3.85%	U.S Army Aramament R&D	5,841	2.27%
	Novartis	6,500	2.37%	Novartis	5,035	1.96%
	Picatinny Arsenal	6,000	2.19%	Atlantic Health System	4,463	1.74%
	Barclays	3,374	1.23%	ADP	2,060	0.80%
	Bayer	2,713	0.99%	Bayer Healthcare, LLC	1,900	0.74%
	ADP	2,400	0.88%	County of Morris	1,674	0.65%
	Accenture	2,344	0.86%	Wyndham Worldwide Corporation	1,653	0.64%
	PricewaterhouseCoopers	2,095	0.76%	St Clare's	1,642	0.64%
	Cigna	1,686	0.62%	BASF Corporation	1,500	0.58%
	Deloitte & Touche	1,646	0.60%	Accenture	1,480	0.58%
	Total	39,310	14.35%	Total	27,248	10.60%
	Total County Labor Force	273,903		Total County Labor Force	274,179	

Source: Morris County and Sussex County Area Chamber of Commerce and Sussex County Department of Administration and Finance

Exhibit J-16

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

UNAUDITED

(accrual basis of accounting)

<u>Function/Program:</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction:										
Regular	55.0	55.0	55.0	53.0	50.0	50.0	50.0	50.0	51.0	50.0
Special Education	9.0	9.0	9.0	8.0	8.0	8.0	8.0	8.0	11.0	10.0
Other	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Support Services:										
Student & Instruction Related Services	24.0	24.0	24.0	23.0	22.0	22.0	22.0	22.0	24.0	27.0
School Administrative Services	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
General and Business Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	4.0	4.0
Plant Operations and Maintenance	8.0	8.0	8.0	8.0	8.0	9.0	7.0	7.0	10.0	11.0
Pupil Transportation	6.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Total	<u>118.0</u>	<u>118.0</u>	<u>118.0</u>	<u>114.0</u>	<u>110.0</u>	<u>111.0</u>	<u>109.0</u>	<u>109.0</u>	<u>116.0</u>	<u>118.0</u>

Source: School District Financial Reports

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/ Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						High	School				
2015	806	\$ 14,843,899	18,417	6.22%	67	12:1	12:1	806	765	-2.66%	94.91%
2016	803	15,719,424	19,576	6.29%	66	12:1	12:1	803	778	-0.37%	96.89%
2017	772	16,050,752	20,791	6.21%	67	12:1	12:1	772	730	-3.86%	94.56%
2018	719	16,556,481	23,027	10.75%	63	11:1	11:1	708	670	-8.29%	94.63%
2019	705	16,569,265	23,503	2.06%	60	11:1	11:1	687	651	-2.97%	94.76%
2020	682	16,217,095	23,779	1.18%	60	11:1	11:1	642	610	-6.55%	95.02%
2021	672	17,314,660	25,766	8.36%	60	11:1	11:1	666	610	3.74%	91.59%
2022	647	18,572,698	28,706	11.41%	60	11:1	11:1	647	473	-2.85%	73.11%
2023	676	20,571,725	30,432	6.01%	64	11:1	11:1	665	168	2.78%	25.26%
2024	674	18,278,111	27,119	-10.89%	62	11:1	11:1	674	636	1.35%	94.36%

Sources: School District Records

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay.

b Teaching staff includes only full-time equivalents of certificated staff.

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

d The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>High School</u>										
Square Feet	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637	146,637
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	806	803	772	719	705	682	672	647	676	674

Number of Schools at June 30, 2024
 High School = 1

Source: School District Records

Note: Enrollment is based on the annual October district count.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>School Facilities:</u>					
Lenape Valley High School District	<u>\$ 434,057</u>	<u>\$ 303,518</u>	<u>\$ 311,266</u>	<u>\$ 281,953</u>	<u>\$ 344,247</u>

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>School Facilities:</u>					
Lenape Valley High School District	<u>\$ 305,814</u>	<u>\$ 268,332</u>	<u>\$ 294,642</u>	<u>\$ 242,261</u>	<u>\$ 225,623</u>

Source: District records

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2024
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - School Alliance Insurance Fund:	\$ 500,000,000	
Building & Personal Property		\$ 2,500
Inland Marine - Auto Physical Damage		\$ 1,000
General Liability including Auto, Employee Benefits		
Each Occurrence	\$ 5,000,000	
General Aggregate	\$ 100,000,000	
Product/Completed Ops		
Personal Injury		
Fire Damage	\$ 2,500,000	
Medical Expenses (excluding students taking part in athletics)	\$ 10,000	
Automobile Coverage		
Combined Single Limit		
Hired/Non-owned		
Environmental Impairment Liability	\$ 1,000,000	\$ 10,000
Fund Aggregate (excluding mold, fungus, legionella & PFAS)	\$ 25,000,000	\$ 100,000
Crime Coverage	\$ 50,000	\$ 1,000
Blanket Dishonesty Bond	\$ 500,000	\$ 1,000
Boiler and Machinery	\$ 100,000,000	\$ 2,500
Excess Liability (AL/GL)	\$ 5,000,000	
School Board Legal	\$ 5,000,000	\$ 5,000
Excess SLPL	\$ 5,000,000	
Cyber Liability	\$ 750,000	\$ 10,000
Workers' Compensation	NJ Statutory	
Employer's Liability	\$ 5,000,000	
Supplemental Indemnity	NJ Statutory	
Selective Insurance Company		
Bond for Business Administrator/Board Secretary	\$ 250,000	
Bond for Treasurer of School Moneys	\$ 250,000	
Student Accident - U.S. Fire and Insurance Company	\$ 5,000,000	

Source: School District Records

SINGLE AUDIT SECTION

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

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Lenape Valley Regional High School District, in the County of Sussex (the "District") as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 20, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
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Report on Compliance and Other Matters

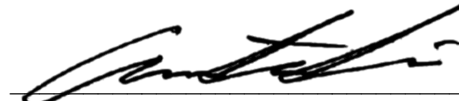
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Purpose of this Report

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

September 20, 2024
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

Report on Compliance For Each Major State Program;
 Report on Internal Control Over Compliance Required by NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Lenape Valley Regional High School District
 County of Sussex, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Lenape Valley Regional High School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major state programs for the fiscal year ended June 30, 2024. The District's major state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal year ended June 30, 2024.

Basis for Opinion on Each Major State Program

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

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

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
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Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

The Honorable President and Members
of the Board of Education
Lenape Valley Regional High School District
Page 3

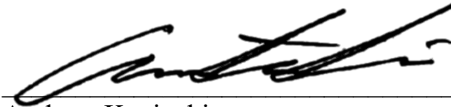
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

September 20, 2024
Mount Arlington, New Jersey

NISIVOCIA LLP



Andrew Kucinski
Licensed Public School Accountant #2684
Certified Public Accountant

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass Through Grantor Program/Cluster Title	Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	Balance 6/30/2023		Cash Received	Budgetary Expenditures	Paid to Grantor	Balance 6/30/2024		Amount Provided to Subrecipients
					(Accounts Receivable)	Unearned Revenue				Budgetary Unearned Revenue	Due to Grantor	
Special Revenue Fund:												
U.S. Department of Education												
Passed-through State Department of Education:												
Elementary and Secondary Education Act												
Title I, Part A	84.010	ESEA261524	7/1/23-9/30/24	\$ 66,135			\$ 61,678	\$ (63,652)		\$ (1,974)		
Title I, Part A	84.010	ESEA261523	7/1/22-9/30/23	65,560	\$ (65,560)		65,560					
Total Title I							127,238	(63,652)			(1,974)	
Title II, Part A	84.367A	ESEA261524	7/1/23-9/30/24	10,062			10,062	(10,062)				
Title II, Part A	84.367A	ESEA261523	7/1/22-9/30/23	13,725			13,725					
Title II, Part A	84.367A	ESEA261522	7/1/21-9/30/22	14,512		\$ 4,865			\$ (4,865)			
Title II, Part A	84.367A	ESEA261520	7/1/19-9/30/20	14,897		393				\$ 393		
Total Title II							23,787	(10,062)	(4,865)			393
Title IV	84.424	ESEA261524	7/1/23-9/30/24	10,000			10,000	(10,000)				
Title IV	84.424	ESEA261523	7/1/22-9/30/23	10,000			10,000					
Title IV	84.424	ESEA261522	7/1/21-9/30/22	10,000		4,250			(4,250)			
Total Title IV							4,250					
Total Elementary and Secondary Education Act							20,000	(10,000)	(4,250)			
							171,025	(83,714)	(9,115)		(1,974)	393
Special Education Cluster:												
I.D.E.A. Part B, Basic												
Total Special Education Cluster	84.027A	IDEA261524	7/1/23-9/30/24	164,352			142,697	(164,352)			(21,655)	
							142,697	(164,352)			(21,655)	
Education Stabilization Fund:												
COVID 19 - CRRSA - ESSER II	84.425D	S425D210027	3/13/20-9/30/23	204,081		10,000		(10,000)				
COVID 19 - CRRSA - Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	25,000		5,314		(5,314)				
COVID 19 - CRRSA - Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000		9,724		(9,724)				
COVID 19 - ARP - ESSER III	84.425U	S425D210027	3/13/20-9/30/24	458,659			117,500					
COVID 19 - ARP - Accelerated Learning	84.425U	S425D210027	3/13/20-9/30/24	50,000			19,479	(1,088)		\$ 14,491		
COVID 19 - ARP - Summer Learning	84.425U	S425D210027	3/13/20-9/30/24	40,000			40,000					
COVID 19 - ARP - Beyond School Day	84.425U	S425D210027	3/13/20-9/30/24	40,000			40,000			15,855		
COVID 19 - ARP - Mental Health	84.425U	S425D210027	3/13/20-9/30/24	45,000		(12,196)	45,000	(32,804)				
Total U.S. Department of Education					(302,881)	34,546	575,701	(306,996)	(9,115)	30,346	(23,629)	393
U.S. Department of Treasury -												
Passed-through State Department of Education:												
COVID 19 - Additional or Compensatory Special Education & Related Services for Students with Disabilities (AC/SERS)	21.027	N/A	7/1/23-9/30/24	45,899			22,950	(45,899)			(22,949)	
COVID 19 - Additional or Compensatory Special Education & Related Services for Students with Disabilities (AC/SERS)	21.027	N/A	7/1/21-9/30/23	245,105			122,552	(122,552)				
Total U.S. Department of Treasury							145,502	(168,451)			(22,949)	
Total Special Revenue Fund					(302,881)	34,546	721,203	(475,447)	(9,115)	30,346	(46,578)	393

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass Through Grantor Program/Cluster Title	Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	Balance 6/30/2023		Cash Received	Budgetary Expenditures	Paid to Grantor	Balance 6/30/2024		Amount Provided to Subrecipients
					(Accounts Receivable)	Revenue				Budgetary Unearned Revenue	Budgetary Accounts Receivable	
U.S. Department of Agriculture												
Passed-Through State Department of Agriculture:												
SNAP Cluster:												
COVID 19 - Pandemic Electronic Benefit Transfer	10.649	N/A	7/1/23-6/30/24	\$ 653			\$ 653	\$ (653)				
Total SNAP Cluster							653	(653)				
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/23-6/30/24	17,322			17,322	(14,208)		\$ 3,114		
Food Distribution Program	10.555	N/A	7/1/22-6/30/23	15,993		\$ 3,474		(3,474)				
COVID 19 - Supply Chain Assistance Funding (4th Round)	10.555	N/A	8/25/23-9/30/24	20,061			20,061	(20,061)				
School Breakfast Program	10.555	N/A	7/1/22-6/30/23	5,959	\$ (463)		463					
National School Lunch Program	10.555	N/A	7/1/23-6/30/24	47,865			46,465	(47,865)			\$ (1,400)	
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	39,273	(1,439)		1,439					
National School Lunch Program - PB Lunch	10.555	N/A	7/1/23-6/30/24	1,799			1,761	(1,799)			(38)	
National School Lunch Program - PB Lunch	10.555	N/A	7/1/22-6/30/23	1,851	(62)		62					
Total Child Nutrition Cluster					(1,964)	3,474	87,573	(87,407)		3,114	(1,438)	
Total U.S. Department of Agriculture					(1,964)	3,474	88,226	(88,060)		3,114	(1,438)	
Total Federal Awards					\$(304,845)	\$38,020	\$ 808,776	\$ (562,854)	\$ (9,115)	\$ 33,460	\$ (48,016)	\$ -0-

N/A - Not Applicable

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Project Number	Grant or State	Grant Period	Award Amount	Balance 6/30/2023			Balance 6/30/2024			Memo		
					Budgetary (Accounts Receivable)	Unearned Revenue	Cash Received	Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
NJ Department of Education:													
Categorical Special Education Aid	24-495-034-5120-089		7/01/23-6/30/24	\$ 720,995			\$ 649,633	\$ (720,995)				\$ (71,362)	\$ 720,995
Equalization Aid	24-495-034-5120-078		7/01/23-6/30/24	3,562,610			3,209,994	(3,562,610)				(352,616)	3,562,610
Categorical Security Aid	24-495-034-5120-084		7/01/23-6/30/24	72,104			64,967	(72,104)				(7,137)	72,104
School Choice Aid	24-495-034-5120-068		7/01/23-6/30/24	782,340			704,906	(782,340)				(77,434)	782,340
Transportation Aid	24-495-034-5120-014		7/01/23-6/30/24	180,956			163,046	(180,956)				(17,910)	180,956
Non-Public Transportation	24-495-034-5120-014		7/01/23-6/30/24	4,550				(4,550)	\$ (4,550)			(4,550)	4,550
Extraordinary Aid	24-495-034-5120-044		7/01/23-6/30/24	339,805			652,590	(339,805)	(339,805)			(339,805)	339,805
On-Behalf/TPAF Post Retirement Medical Benefits	24-495-034-5094-001		7/01/23-6/30/24	652,590				(652,590)					652,590
On-Behalf/Long Term Disability Insurance	24-495-034-5094-004		7/01/23-6/30/24	894			894	(894)					894
On-Behalf/TPAF Pension Contributions	24-495-034-5094-002		7/01/23-6/30/24	2,370,751			2,370,751	(2,370,751)					2,370,751
On-Behalf/TPAF NCGI Premium	24-495-034-5094-003		7/01/23-6/30/24	27,037			27,037	(27,037)					27,037
Reimbursed TPAF Social Security	24-495-034-5094-003		7/01/23-6/30/24	515,729			491,315	(515,729)	(24,414)			(24,414)	515,729
Categorical Special Education Aid	23-495-034-5120-089		7/01/22-6/30/23	500,873	\$ (48,975)		48,975						500,873
Equalization Aid	23-495-034-5120-078		7/01/22-6/30/23	3,317,998	(324,433)		324,433						3,317,998
Categorical Security Aid	23-495-034-5120-084		7/01/22-6/30/23	20,481	(2,003)		2,003						20,481
School Choice Aid	23-495-034-5120-068		7/01/22-6/30/23	707,118	(69,142)		69,142						707,118
Transportation Aid	23-495-034-5120-014		7/01/22-6/30/23	177,329	(17,339)		17,339						177,329
Non-Public Transportation	23-495-034-5120-014		7/01/22-6/30/23	7,465	(7,465)		7,465						7,465
Extraordinary Aid	23-495-034-5120-044		7/01/22-6/30/23	263,687	(263,687)		263,687						263,687
Reimbursed TPAF Social Security	23-495-034-5094-003		7/01/22-6/30/23	482,341	(48,571)		48,571						482,341
Total General Fund State Aid					(781,615)		9,116,748	(9,230,361)	(368,769)			(895,228)	14,707,653
Special Revenue Fund:													
Educational Programs and Student Services:													
Climate Change Education Grants to Schools	N/A		4/1/23-6/30/23	6,660	\$ 60					\$ 60			6,660
Total Special Revenue Fund						60					60		25,681
Total NJ Department of Education					(781,615)	60	9,116,748	(9,230,361)	(368,769)		60	(895,228)	14,733,334

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance 6/30/2023		Cash Received	Budgetary Expenditures	Balance 6/30/2024			Memo	
				Budgetary (Accounts Receivable)	Unearned Revenue			GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
State Department of Agriculture												
Enterprise Funds:												
State School Breakfast Program	24-100-010-3350-002	7/01/23-6/30/24	\$ 384			\$ 368	\$ (384)	\$ (16)			\$ (16)	
State School Breakfast Program	23-100-010-3350-002	7/01/22-6/30/23	256	\$ (17)		17						
State School Lunch Program	24-100-010-3350-002	7/01/23-6/30/24	2,424			2,369	(2,424)	(55)			(55)	
State School Lunch Program	23-100-010-3350-002	7/01/22-6/30/23	2,355	(83)		83						
State School Breakfast After the Bell Program	24-100-010-3350-004	7/01/23-6/30/24	621			590	(621)	(31)			(31)	
State School Breakfast After the Bell Program	23-100-010-3350-004	7/01/22-6/30/23	390	(31)		31						
State School Extended Income Eligibility Breakfast Program	24-100-010-3350-006	7/01/23-6/30/24	363			333	(363)	(30)			(30)	\$ 363
State School Extended Income Eligibility Lunch Program	24-100-010-3350-006	7/01/23-6/30/24	1,428			1,390	(1,428)	(38)			(38)	1,428
NJ Grant for Café Equipment	24-100-010-3350-007	7/01/23-6/30/24	20,000			20,000	(20,000)					
Total Enterprise Fund				(131)		25,181	(25,220)	(170)			(170)	1,791
Total State Awards				\$ (781,746)	\$ 60	\$ 9,141,929	\$ (9,255,581)	\$ (368,939)	\$ -0-	\$ 60	\$ (895,398)	\$ 14,735,125
Less: On-Behalf TPAF Pension System Contributions:												
On-Behalf TPAF Post Retirement Medical Benefits	24-495-034-5094-001	7/01/23-6/30/24	\$ 652,590				\$ 652,590					
On-Behalf Long Term Disability Insurance	24-495-034-5094-004	7/01/23-6/30/24	894				894					
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/01/23-6/30/24	2,370,751				2,370,751					
On-Behalf TPAF NCGI Premium	24-495-034-5094-003	7/01/23-6/30/24	27,037				27,037					
Subtotal - On-Behalf TPAF Pension System Contributions							3,051,272					
Total State Awards - for Major Program Determination							\$ (6,204,309)					
N/A - Not Available/Applicable												

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

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the "Schedules") include the federal and state grant activity of the Lenape Valley Regional High School District under programs of the federal and state governments for the fiscal year ended June 30, 2024. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$64,567) for the General Fund and \$ -0- for the Special Revenue Fund. See Exhibits C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the General and Special Revenue Funds. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented on the following page:

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024
(Continued)

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 6,114,522	\$ 6,114,522
Special Revenue Fund	\$ 475,447		475,447
Food Service Fund	<u>88,060</u>	<u>25,220</u>	<u>113,280</u>
Total Awards	<u>\$ 563,507</u>	<u>\$ 6,139,742</u>	<u>\$ 6,703,249</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively.

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

1.) Material weakness identified?	_____ Yes	_____ X	No
2.) Significant deficiencies identified?	_____ Yes	_____ X	None reported
Noncompliance material to basic financial statements noted?	_____ Yes	_____ X	No

Federal Awards

The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2024 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Uniform Guidance.

State Awards

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

Unmodified

Internal control over major programs:

1.) Material weakness identified?	_____ Yes	_____ X	No
2.) Significant deficiencies identified?	_____ Yes	_____ X	None reported
Noncompliance material to basic financial statements noted?	_____ Yes	_____ X	No

Any audit findings disclosed that are required to be reported in accordance with New Jersey's OMB Circular 15-08?

_____ Yes _____ X No

Identification of major programs:

Program Name or Cluster	State Grant No.	Grant Period		Award Amount	Budgetary Expenditures
		Start	End		
State Aid Public:					
Equalization Aid	24-495-034-5120-078	7/1/23	6/30/24	\$ 3,562,610	\$ 3,562,610
Categorical Special Education Aid	24-495-034-5120-089	7/1/23	6/30/24	720,995	720,995
Categorical Security Aid	24-495-034-5120-084	7/1/23	6/30/24	72,104	72,104
School Schoice Aid	24-495-034-5120-068	7/1/23	6/30/24	782,340	782,340

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

(Continued)

Dollar threshold used to distinguish between Type A and B programs		<u>\$ 750,000</u>	
Auditee qualified as low-risk auditee?	<u> </u> Yes	<u> </u> X	No

LENAPE VALLEY REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Status of Prior Year Findings:

There were no prior year findings.