

**BRISTOL TOWNSHIP SCHOOL DISTRICT
LEVITTOWN, PENNSYLVANIA**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

BRISTOL TOWNSHIP SCHOOL DISTRICT

YEAR ENDED JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of School Directors
Bristol Township School District
Levittown, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bristol Township School District (the "District"), as of and for the year ended June 20, 2022, 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 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, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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

The District's 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 one year after the date that the financial statements are issued.

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 will always detect a material misstatement when it exists.



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The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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, the schedule of revenues, expenditures and changes in fund balance – budget and actual – general fund, notes to the budgetary comparison schedule, the schedule of the District's proportionate share of the net pension liability, schedule of district pension contributions, the schedule of the District's proportionate share of the net OPEB liability – PSERS plan, the schedule of the District's OPEB contributions – PSERS plan, and the schedule of changes in the total OPEB liability and related ratios – retirees health plan on pages 4-12 and 54-60 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor fund financial statements ("supplementary information") are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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The supplementary 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. Such 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Zelenkofske Axlerod LLC

ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
March 14, 2023

BRISTOL TOWNSHIP SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

YEAR ENDED JUNE 30, 2022

INTRODUCTION

The discussion and analysis of the Bristol Township School District's (the "District") financial statements provides an overall analysis of the financial activities for the year ended June 30, 2022. This analysis is based on currently known information, decisions, and conditions.

FINANCIAL HIGHLIGHTS

The liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources of the Bristol Township School District for the Governmental Activities at the close of the 2022 fiscal year by \$113,445,065 (negative net position). This compares with negative net position of \$133,586,572 at the close of the 2021 fiscal year. The negative net position is the result of recording the District's proportionate share of net pension liability and deferred pension amounts in accordance with GASB Statement No. 68, which was implemented during 2015 as well as the District's proportionate share of the net other postemployment benefit liability and deferred benefit amounts in accordance with GASB No. 75 which was implemented during 2018.

As of the close of the current fiscal year, the Bristol Township School District general fund reported an ending fund balance of \$41,032,295, an increase of \$1,578,212 in comparison with the prior year. This increase is due to positive cash flows from day to day operations of the District. Governmental funds at the close of the fiscal year recorded an ending fund balance of \$58,045,886, a decrease of \$8,335,554 from the prior year due to expenses for capital construction and also due to positive cash flows from day to day operations.

At the end of the current fiscal year the fund balance in the general fund is comprised of: a non-spendable fund balance of \$1,402,824; a committed fund balance of \$3,237,285; an assigned fund balance of \$23,000,000; and an unassigned fund balance of \$13,392,186, for a total of \$41,032,295. Unassigned fund balance was 8.5% percent of the total general fund expenditures.

FINANCIAL STATEMENTS

The accompanying financial statements have been prepared in accordance with GASB Statement No. 34 and present both government-wide and fund level financial statements using both the accrual and modified accrual basis of accounting, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's discussion and analysis introduces the District's basic financial statements. The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements.

The title and a brief description of each of the basic financial statements follow. Page number references for respective statements are also shown.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position reports assets, liabilities, and net position for the entire District, including governmental activities and business-type activities (Page 13).

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

The Statement of Activities reports the School District's revenues, expenses, depreciation, and other changes in net position during the year. This report focuses on the net cost of individual functions with reconciliation between the beginning net position and the ending net position (Page 14).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Balance Sheet-Governmental Funds reports assets, liabilities and fund balance of the General Fund, Capital Projects Fund, and aggregate non-major funds (Page 15).

The Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position (Page 16) explains the differences in governmental fund balance reported on the Balance Sheet Governmental Funds and the total net position reported on the Statement of Net Position.

The Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds reports the revenues, expenditures, and changes in fund balance for the General Fund, Capital Projects Fund, and aggregate nonmajor funds (Page 17).

The Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (Page 18) provides a reconciliation of the changes in fund balances reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances to the changes in net position as reported on the Statement of Activities.

The Statement of Net Position - Proprietary Fund reports assets, liabilities, and net position for the Food Service Fund (Page 19).

The Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund reports the revenues, expenditures, and changes in net position for the Food Service Fund (Page 20).

The Statement of Cash Flows - Proprietary Fund reports the inflows and outflows of cash during the fiscal year for the proprietary fund (Page 21).

The Statement of Net Position - Fiduciary Fund reports assets and liabilities for the District's student activity accounts (Page 22).

The Statement of Changes in Net Position - Fiduciary Fund reports assets and liabilities for the District's student activity accounts (Page 23).

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

Notes to the Basic Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

CONDENSED GOVERNMENT-WIDE FINANCIAL INFORMATION

A few financial statistics are addressed below to provide a snapshot overview of the District's finances for the year ended June 30, 2022. Comparisons with the year ended June 30, 2021 are included.

Assets and Deferred Outflow of Resources

Assets are the things of value owned by the District. Examples of these would include cash, investments, equipment, and real property. Deferred outflows of resources represent deferred amounts related to pensions.

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 84,722,662	\$ 89,289,157	\$ 1,433,641	\$ 267,924	\$ 86,156,303	\$ 89,557,081
Capital Assets	190,345,104	151,945,746	-	-	190,345,104	151,945,746
TOTAL ASSETS	\$ 275,067,766	\$ 241,234,903	\$ 1,433,641	\$ 267,924	\$ 276,501,407	\$ 241,502,827
Deferred Outflows of Resources (deferred loss, pension, OPEB)	\$ 32,252,965	\$ 30,802,479	\$ 704,545	\$ 599,496	\$ 32,957,510	\$ 31,401,975

GASB-34 has established processes for accounting for assets, among other accounting changes. Capital assets are reported at acquisition cost less accumulated depreciation in the district-wide financial statements. Previously, capital assets, except for those relating to the Proprietary Fund, were reported at acquisition cost in an account group. The accumulated depreciation and resulting asset value does not, in many cases, reflect the current market economic value of capital assets. Asset values are often higher, especially in the case of buildings.

Liabilities and Deferred Inflows of Resources

Liabilities are the financial obligations of the District. Examples of liabilities are accounts payable, accrued salaries and benefits, long-term debt and accrued compensated absences.

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Long-Term Liabilities	\$ 353,798,436	\$ 368,803,525	\$ 3,909,541	\$ 3,924,489	\$ 357,707,977	\$ 372,728,014
Other Liabilities	30,978,365	25,055,570	92,589	103,963	31,070,954	25,159,533
TOTAL LIABILITIES	\$ 384,776,801	\$ 393,859,095	\$ 4,002,130	\$ 4,028,452	\$ 388,778,931	\$ 397,887,547
Deferred Inflows of Resources (pension, OPEB)	\$ 35,988,995	\$ 12,764,859	\$ 905,950	\$ 251,646	\$ 36,894,945	\$ 13,016,505

Net Position

The difference between total assets and total liabilities results in an amount which is total net position in the district-wide Statement of Net Position.

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Net Position						
Net Investment in Capital Assets Unrestricted	\$ 4,525,511 (117,970,576)	\$ 4,709,676 (138,296,248)	\$ - (2,769,894)	\$ - (3,412,678)	\$ 4,525,511 (120,740,470)	\$ 4,709,676 (141,708,926)
TOTAL NET POSITION	\$ (113,445,065)	\$ (133,586,572)	\$ (2,769,894)	\$ (3,412,678)	\$ (116,214,959)	\$ (136,999,250)

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

Analysis of the net position amount:

The investment in capital assets net of related debt declined due to the continued depreciation of the District's three new elementary schools which were placed in service in the 2016 and 2017 fiscal years. The District's new administrative building was placed into service in the 2019 fiscal year. This depreciation currently outpaces debt principal payments, but not the debt term as a whole. Total accumulated depreciation of fixed assets, mostly school buildings, amounts to \$72,922,626.

Assets in the form of cash, cash equivalents, and investments amount to \$68,893,176. This must be viewed in light of intended uses of this cash, such as payment of salaries, contracted services and construction. This cash should not be confused with unrestricted net position.

With a net position of negative \$116,214,959, Bristol Township School District is not unlike many other Pennsylvania School Districts. The negative fiscal position is due to the unfunded pension liability assigned to the District through its mandated participation in the Pennsylvania School Employees Retirement System (PSERS). Pension liability is based on actuarial estimates and projected state, district, and employee contribution rates. The net negative position is based on long term projections and does not put the District in any immediate financial concerns. State legislation is being discussed and proposed to address the large state-wide pension liability.

Governmental activities. Governmental activities increased the Bristol Township School District's net position by \$20,141,507. Key elements of the increase follow:

Change in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues						
Charges for Services	\$ -	\$ 269,043	\$ 222,747	\$ 13,917	\$ 222,747	\$ 282,960
Operating Grants and Contributions	31,384,523	25,316,939	4,717,816	1,601,634	36,102,339	26,918,573
Capital Grants	-	973,867	-	-	-	973,867
General Revenues						
Taxes	93,018,454	91,257,328	-	-	93,018,454	91,257,328
Unrestricted Grants and Subsidies	31,880,253	28,001,667	-	-	31,880,253	28,001,667
Unrestricted Investment Earnings	191,774	144,084	-	-	191,774	144,084
Rentals	115,977	28,545	-	-	115,977	28,545
Miscellaneous Income	324,984	44,826	-	-	324,984	44,826
Transfers	-	(520,121)	-	520,121	-	-
TOTAL REVENUES	156,915,965	145,516,178	4,940,563	2,135,672	161,856,528	147,651,850
EXPENSES						
Instruction	88,071,297	96,201,053	-	-	88,071,297	96,201,053
Instructional Student Support	14,032,487	11,607,470	-	-	14,032,487	11,607,470
Administrative and Financial Support Services	9,234,765	7,638,864	-	-	9,234,765	7,638,864
Operation and Maintenance of Plant Services	9,704,883	8,027,739	-	-	9,704,883	8,027,739
Pupil Transportation	7,829,680	6,476,598	-	-	7,829,680	6,476,598
Student Activities	1,074,868	889,115	-	-	1,074,868	889,115
Community Services	156,099	129,122	-	-	156,099	129,122
Interest on Long-Term Debt	6,670,379	6,644,073	-	-	6,670,379	6,644,073
Food Service	-	-	4,297,779	2,098,558	4,297,779	2,098,558
TOTAL EXPENSES	136,774,458	137,614,034	4,297,779	2,098,558	141,072,237	139,712,592
CHANGE IN NET POSITION	20,141,507	7,902,144	642,784	37,114	20,784,291	7,939,258
NET POSITION, BEGINNING OF YEAR	(133,586,572)	(141,488,716)	(3,412,678)	(3,449,792)	(136,999,250)	(144,938,508)
NET POSITION AT END OF YEAR	\$ (113,445,065)	\$ (133,586,572)	\$ (2,769,894)	\$ (3,412,678)	\$ (116,214,959)	\$ (136,999,250)

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

The primary source of revenue for the year ending June 30, 2022 was from real estate taxes, which was 59% of the total revenue.

Operating grants and contributions amounted to 20% of total revenue for the year ending June 30, 2022.

Business-type activities represent the District's food service program. The program had an increase in net position of \$642,784 for the fiscal year ended June 30, 2022.

The primary purpose of Governmental Activities expenditures is instruction and instructional student support and amounted to 75% of total expenditures for the District. Most of the instructional expenditures were used for the salary and benefits of instructional staff. About 65% of the District's total expenditure budget is for salaries and benefits of employees.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Bristol Township School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Bristol Township School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Bristol Township School District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the Bristol Township School District. At the end of the current fiscal year, fund balance is as follows and is compared with the preceding fiscal year.

Fund Balance Classification	June 30,		Increase (Decrease)
	2022	2021	
Nonspendable	\$ 1,402,824	\$ 3,285,208	\$ (1,882,384)
Committed	3,237,285	3,237,285	-
Assigned	23,000,000	23,000,000	-
Unassigned	13,392,186	9,931,590	3,460,596
	<u>\$ 41,032,295</u>	<u>\$ 39,454,083</u>	<u>\$ 1,578,212</u>

For the year ended June 30, 2022, the fund balance in the general fund increased from the prior year's balance. The School District attempts to maintain a reasonable fund balance to protect against receipt of revenue shortfalls and/or emergency expenditures.

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

Total Program Revenue

General fund revenue is categorized as being from major resources. Specifically, these categories are local, state, federal and other financing sources. A summary of these revenue sources follows:

	<u>June 30,</u>		Increase (Decrease)
	2022	2021	
Local	\$ 94,460,239	\$ 94,846,916	\$ (386,677)
State	48,631,742	47,757,124	874,618
Federal	14,633,034	3,787,424	10,845,610
Other Financing Sources	46,010,000	9,256,397	36,753,603
	<u>\$ 203,735,015</u>	<u>\$ 155,647,861</u>	<u>\$ 48,087,154</u>

There was a slight negative variance in the Local Funds. Excluding bond proceeds received as other financing sources, the Local share of revenue amounted to 60% of the total general fund revenue for the year ended June 30, 2022.

The positive variance in the State Funds was due to grants received for the response to and the relive of the coronavirus pandemic. Excluding bond proceeds received as other financing sources, the State share of revenue amounted to 31% of the total general fund revenue for the year ended June 30, 2022.

Increases in Federal Funds are attributable to federal grants received from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); specifically, additional funding from the Elementary and Secondary School Emergency Relief (ESSER) Fund. Excluding bond proceeds received as other financing sources, the Federal share of revenue amounted to 9% of the total general fund revenue for the year ended June 30, 2022.

Other financing sources revenue consisted of bond proceeds received from the issuance of bonds.

Total Program Expenses

The primary purpose of the related expenditures is instructional. Most of the instructional expenditures were used for the salary and benefits of instructional staff.

The Food Service Program revenues are intended to offset daily operating costs to provide service such as labor, product, and supplies.

General fund expenditures of the District fall into five major categories and the changes are as follows:

	<u>June 30,</u>		Increase (Decrease)
	2022	2021	
Instructional Services	\$ 98,854,649	\$ 93,054,833	\$ 5,799,816
Support Services	38,506,699	34,019,713	4,486,986
Noninstructional Services	1,187,252	783,921	403,331
Facilities acquisition, construction, and improvement services	6,858,488	10,437,962	(3,579,474)
Debt Service	11,314,926	10,859,116	455,810
	<u>\$ 156,722,014</u>	<u>\$ 149,155,545</u>	<u>\$ 7,566,469</u>

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

Proprietary Fund

The Bristol Township School District's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Food Service Fund at the end of the year is negative \$2,769,894. The negative net position is the result of recording the District's proportionate share of net pension liability and deferred pension amounts in accordance with GASB Statement No. 68, which was implemented during 2015 as well as the District's proportionate share of net other postemployment benefits liability and deferred benefit amounts in accordance with GASB Statement No. 75, which was implemented in 2018.

General Fund Budgetary Highlights

Budgetary transfers were required to meet actual expenditures, which exceeded original estimates. These transfers were approved by the Board throughout the year.

Actual revenues for the year ending June 30, 2022 are \$157,725,015, compared to budget of \$145,839,709, leaving a positive variance of \$11,885,306 or 8.15%. The positive variance is attributable to additional federal funding totaling \$9.6 million and better than expected local revenue collections due to a strong real estate market for most of the year. Actual expenditures for year ending June 30, 2022 are \$156,722,014, against the final budget of \$144,612,074, leaving a negative variance of \$12,109,940 or 8.37% above budget. The negative variance in expenditures was attributable to increased instructional services in the amount of \$2,828,852 or 2.95%, increased instructional support services in the amount of \$2,646,334 or 7.38% and capital outlay in the amount of \$6,858,488. These were partially offset by positive variances in noninstructional services in the amount of \$213,022 and debt service in the amount of \$10,712.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets.

The District's investment in capital assets for its governmental activities as of June 30, 2022 amounts to \$190,345,104 (net of accumulated depreciation). The investment in capital assets includes land, construction in progress, buildings, improvements and machinery and equipment. Total investment in capital assets for governmental activities increased as of June 30, 2022 as a result of the continuing construction costs for a new middle school.

Capital Assets (Net of Depreciation)

	Governmental Activities	
	2022	2021
Land	\$ 1,810,914	\$ 1,810,914
Construction in Progress	49,037,892	6,848,425
Buildings and Improvements	197,386,839	197,207,485
Machinery and Equipment	15,032,085	14,284,415
Less: Accumulated Depreciation	<u>(72,922,626)</u>	<u>(66,536,973)</u>
	<u>\$ 190,345,104</u>	<u>\$ 153,614,266</u>

Additional information of the Bristol Township School District's capital assets can be found in note E on page 34 of this report.

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

Long-Term Debt - At the end of the current fiscal year, the Bristol Township School District had total bonded debt outstanding of \$191,324,000. All of this amount is backed by the full faith and credit of the government.

The borrowing capacity of the Bristol Township School District is set forth under the provisions of Act 50 of 1998. This legislation amends the local Government Unit Debt Act, which establishes the limits for local governments, including school district and other municipalities. Under Act 50, the School District may incur electoral debt in an unlimited amount when such debt is approved by a majority of the School District’s voters at either a general or special election. The net outstanding amount of non-electoral (debt not approved by the School District’s electorate) or lease rental debt may not exceed 225% of the School District’s borrowing base, as defined in the Debt Act.

Additional information on the Bristol Township School District’s long-term debt can be found in note F on pages 35-37 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

Significant Events and Risks

During the next fiscal years there are several events, risks, and commitments, which may have a significant financial impact on the Bristol Township School District.

Local Funding

Real estate taxes, the primary source of revenue for the District, are governed by the Taxpayer Relief Act (Act 1) enacted in June 2006. In accordance with Act 1, property taxes increases are limited each year by an index established by the Pennsylvania Department of Education (PDE). For the 2022-2023 fiscal year the District did not increase real estate taxes.

Real estate taxes are billed off of property assessments. Due to a favorable housing and lending market, the District saw a slight increase in its assessment for the 2022-2023 fiscal year. However, Bristol Township, like many older suburban communities in close proximity to a major city, has very little land for future development. However, recent changes to infrastructure and redevelopment heighten the expectation that the District’s assessment will continue to trend upward.

State and Federal Funding

Growth in expenditures and costs of services continue to keep pace or outpace state and federal funding. In addition, the Commonwealth of Pennsylvania’s financial struggles mean more of the taxing burden continues to be pushed to local governments, such as the School District. Thirty-one (31%) percent of the School District’s funding comes from State sources meaning the District is in large part reliant in increases in state subsidies and support.

Expenditures

Salaries and benefits make up 65% of the School Districts expenditures. In recent years, benefits have been the primary driver of increases in expenditures. Benefits consist of health insurance premiums, social security contributions, retirement contributions, unemployment compensation, and workers compensation. The Public School Employees Retirement System (PSERS) is the defined benefit pension plan for Pennsylvania school employees. The employers’ share of retirement contributions has traditionally been funded half by the Commonwealth and half by the District.

<u>Fiscal Year</u>	<u>Rate</u>
2016-2017	30.03%
2017-2018	32.57%
2018-2019	33.43%

BRISTOL TOWNSHIP SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)
YEAR ENDED JUNE 30, 2022

2019-2020	34.29%
2020-2021	34.51%
2021-2022	34.85%

Enrollment

As mentioned previously, Bristol Township’s open space and land is mostly developed. This means that the likelihood of a significant change in enrollment is low. Past and future enrollment trends for a five year period are summarized in the table below:

Fiscal Year	Enrollment
2016-2017	6,364
2017-2018	6,415
2018-2019	6,377
2019-2020	6,314
2020-2021	6,036
2021-2022	5,984
2022-2023	6,053 (projected)
2023-2024	6,070 (projected)
2024-2025	6,086 (projected)
2025-2026	6,102 (projected)

The District remains committed to providing a high quality education to its students and financial stability to the residents of Bristol Township. Our mission statement and core beliefs are as follows:

Mission Statement. Bristol Township School District will prepare and empower our students to be productive, competitive members in an ever-changing global society.

Beliefs. We believe:

- We believe that all individuals can learn and achieve.
- We believe understanding and respecting diversity strengthens our educational community.
- We believe a safe and healthy learning environment for all is essential for success.
- We believe in providing high-quality, standards-based instruction for all students.
- We believe an effective partnership of families, staff and community will improve opportunities for student success.
- We believe students will be empowered to become life-long learners and effective members of society.
- We believe all successes should be acknowledged and celebrated.

Financial Management. Our financial report and statements are constructed to provide our citizens, taxpayers, parents, students, investors, and creditors with a general overview of the District’s finances and to show the Board’s accountability for the money it receives. The Bristol Township School Board, Administration and staff remain strongly committed to Bristol Township’s long traditions of high quality education and sound financial management.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Current Assets			
Cash and Cash Equivalents	\$ 26,869,470	\$ 1,970	\$ 26,871,440
Investments	42,021,736	-	42,021,736
Taxes Receivable, net	4,511,750	-	4,511,750
Internal Balances	(1,122,591)	1,122,591	-
Due from Other Governments	11,026,008	233,523	11,259,531
Other Receivables	13,465	1,882	15,347
Inventories	-	73,675	73,675
Other Assets	1,402,824	-	1,402,824
Total Current Assets	<u>84,722,662</u>	<u>1,433,641</u>	<u>86,156,303</u>
Noncurrent Assets			
Capital Assets, not being depreciated	50,848,806	-	50,848,806
Capital Assets, being depreciated, net	139,496,298	-	139,496,298
Total Noncurrent Assets	<u>190,345,104</u>	<u>-</u>	<u>190,345,104</u>
TOTAL ASSETS	<u>275,067,766</u>	<u>1,433,641</u>	<u>276,501,407</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Loss on Refunding, net of Accumulated Amortization	5,132,685	-	5,132,685
OPEB	2,425,575	71,347	2,496,922
Pensions	24,694,705	633,198	25,327,903
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>32,252,965</u>	<u>704,545</u>	<u>32,957,510</u>
<u>LIABILITIES</u>			
Current Liabilities			
Accounts Payable	7,292,154	-	7,292,154
Claims and Judgements Payable	1,071,309	-	1,071,309
Accrued Salaries and Benefits	15,690,087	63,095	15,753,182
Accrued Interest on Long-Term Debt	556,654	-	556,654
Unearned Revenues	8,294	12,406	20,700
Taxes Held in Escrow	5,196	-	5,196
Other Liabilities	306,821	17,088	323,909
Current Portion of Compensated Absences	206,855	-	206,855
Current Portion of Long-Term Debt	5,373,000	-	5,373,000
Current Portion of Leases	467,995	-	467,995
Total Current Liabilities	<u>30,978,365</u>	<u>92,589</u>	<u>31,070,954</u>
Noncurrent Liabilities			
Bonds Payable	185,951,000	-	185,951,000
Bond Premiums, net of Amortization	7,789,973	-	7,789,973
Long-Term Portion of Compensated Absences	1,219,728	-	1,219,728
Leases	838,584	-	838,584
Net Pension Liability	141,867,375	3,637,625	145,505,000
Net OPEB Liability	16,131,776	271,916	16,403,692
Total Noncurrent Liabilities	<u>353,798,436</u>	<u>3,909,541</u>	<u>357,707,977</u>
TOTAL LIABILITIES	<u>384,776,801</u>	<u>4,002,130</u>	<u>388,778,931</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
OPEB	1,488,620	21,325	1,509,945
Pensions	34,500,375	884,625	35,385,000
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>35,988,995</u>	<u>905,950</u>	<u>36,894,945</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets Unrestricted	4,525,511 (117,970,576)	- (2,769,894)	4,525,511 (120,740,470)
TOTAL NET POSITION	<u>\$ (113,445,065)</u>	<u>\$ (2,769,894)</u>	<u>\$ (116,214,959)</u>

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenue			Net Revenue (Expense) and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction	\$ 88,071,297	\$ -	\$ 15,731,609	\$ -	\$ (72,339,688)	\$ -	\$ (72,339,688)
Instructional Student Support	14,032,487	-	607,088	-	(13,425,399)	-	(13,425,399)
Administrative and Financial Support Services	9,234,765	-	-	-	(9,234,765)	-	(9,234,765)
Operation and Maintenance of Plant Services	9,704,883	-	-	-	(9,704,883)	-	(9,704,883)
Pupil Transportation	7,829,680	-	2,059,156	-	(5,770,524)	-	(5,770,524)
Student Activities	1,074,868	-	-	-	(1,074,868)	-	(1,074,868)
Community Services	156,099	-	12,668,051	-	12,511,952	-	12,511,952
Interest on Long-Term Debt	6,670,379	-	318,619	-	(6,351,760)	-	(6,351,760)
Total Governmental Activities	136,774,458	-	31,384,523	-	(105,389,935)	-	(105,389,935)
Business-Type Activities:							
Food Services	4,297,779	222,747	4,717,816	-	-	642,784	642,784
Total Primary Government	\$ 141,072,237	\$ 222,747	\$ 36,102,339	\$ -	(105,389,935)	642,784	(104,747,151)
General Revenues:							
Taxes:							
Property Taxes, net					89,475,323	-	89,475,323
Real Estate Transfer, Mercantile, and Other					3,543,131	-	3,543,131
Unrestricted Grants and Subsidies					31,880,253	-	31,880,253
Unrestricted Investment Earnings					191,774	-	191,774
Rentals					115,977	-	115,977
Miscellaneous Income					324,984	-	324,984
Total General Revenues					125,531,442	-	125,531,442
Changes in Net Position					20,141,507	642,784	20,784,291
Net position - beginning of year					(133,586,572)	(3,412,678)	(136,999,250)
Net position - end of year					\$ (113,445,065)	\$ (2,769,894)	\$ (116,214,959)

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 10,149,054	16,720,416	\$ -	\$ 26,869,470
Investments	42,021,736	-	-	42,021,736
Taxes Receivable	4,511,750	-	-	4,511,750
Interfund Receivable	7,045,772	-	2,412,632	9,458,404
Due From Other Governments	11,026,008	-	-	11,026,008
Other Receivables	13,465	-	-	13,465
Inventories	-	-	-	-
Prepaid Expenses	1,402,824	-	-	1,402,824
TOTAL ASSETS	\$ 76,170,609	\$ 16,720,416	\$ 2,412,632	\$ 95,303,657
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
CURRENT LIABILITIES				
Accounts Payable	5,172,697	2,119,457	-	7,292,154
Claims and judgements payable	1,071,309	-	-	1,071,309
Other payables	73,145	-	-	73,145
Deposits Payable	343	-	-	343
Accrued Salaries and Benefits	15,690,087	-	-	15,690,087
Interfund payable	10,580,995	-	-	10,580,995
Other current liabilities	233,333	-	-	233,333
Taxes held in escrow	5,196	-	-	5,196
Deferred Revenue	8,294	-	-	8,294
TOTAL LIABILITIES	32,835,399	2,119,457	-	34,954,856
DEFERRED INFLOWS OF RESOURCES				
Unavailable Tax Revenues - Property Taxes	2,302,915	-	-	2,302,915
TOTAL DEFERRED INFLOWS OF RESOURCES	2,302,915	-	-	2,302,915
FUND BALANCES				
Nonspendable	1,402,824	-	-	1,402,824
Restricted:				
Capital Projects	-	14,600,959	-	14,600,959
Committed:				
Retirement Benefits	3,237,285	-	-	3,237,285
Assigned:				
Capital Projects	23,000,000	-	2,412,632	25,412,632
Unassigned	13,392,186	-	-	13,392,186
TOTAL FUND BALANCES	41,032,295	14,600,959	2,412,632	58,045,886
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 76,170,609	\$ 16,720,416	\$ 2,412,632	\$ 95,303,657

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

Total fund balance - governmental funds \$ 58,045,886

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds. Those assets consist of:

Land	\$ 1,810,914	
Construction in Process	49,037,892	
Buildings and Improvements, net of \$61,619,308 accumulated depreciation	135,767,531	
Furniture and Equipment, net of \$11,303,318 accumulated depreciation	<u>3,728,767</u>	
 Total capital assets		 190,345,104

Property taxes receivable are available for collection this year, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. 2,302,915

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Bonds Payable	(191,324,000)	
Leases	(1,306,579)	
Accrued Interest on Long-Term Debt	(556,654)	
Deferred Loss on Refunding, net of Amortization	5,132,685	
Net Pension Liability	(141,867,375)	
Deferred Outflows of Resources - Pensions	24,694,705	
Deferred Inflows of Resources - Pensions	(34,500,375)	
Bond Premium, net of Amortization	(7,789,973)	
Compensated Absences	(1,426,583)	
Other Post-Employment Benefits (OPEB)	(16,131,776)	
Deferred Outflows of Resources - OPEB	2,425,575	
Deferred Inflows of Resources - OPEB	<u>(1,488,620)</u>	
		<u>(364,138,970)</u>

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES \$ (113,445,065)

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Capital Projects Fund	Nonmajor Funds	Total Governmental Funds
REVENUES				
Local Sources:	\$ 94,460,239	\$ 24,819	13,017	\$ 94,498,075
State Sources	48,631,742	-	-	48,631,742
Federal Sources	14,633,034	-	-	14,633,034
Total Revenues	157,725,015	24,819	13,017	157,762,851
EXPENDITURES				
Instructional Services	98,854,649	-	-	98,854,649
Support Services	38,506,699	-	-	38,506,699
Noninstructional Services	1,187,252	-	-	1,187,252
Facilities acquisition, construction, and improvement services	6,858,488	35,851,019	-	42,709,507
Debt Service				
Principal	4,691,141	-	-	4,691,141
Interest	6,623,785	-	-	6,623,785
Total Expenditures	156,722,014	35,851,019	-	192,573,033
Excess of Revenues Over (Under) Expenditures	1,003,001	(35,826,200)	13,017	(34,810,182)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds	46,010,000	24,535,000	-	70,545,000
Payment to refunded bond escrow agent	(45,434,789)	-	-	(45,434,789)
Bond premium	-	1,364,417	-	1,364,417
Total Other Financing Sources	575,211	25,899,417	-	26,474,628
Net Changes in Fund Balance	1,578,212	(9,926,783)	13,017	(8,335,554)
Fund Balances - Beginning of Year	39,454,083	24,527,742	2,399,615	66,381,440
Fund Balances - End of Year	\$ 41,032,295	\$ 14,600,959	\$ 2,412,632	\$ 58,045,886

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Net changes in fund balances - total governmental funds \$ (8,335,554)

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeds capital outlays in the period is as follows:

Depreciation expense	\$ (6,385,653)	
Capital outlays	<u>43,116,491</u>	36,730,838

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of

Debt issued:		
General obligation debt	(70,545,000)	
Repayments:		
General obligation debt	46,735,000	
Leases	466,141	(23,343,859)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The differences for the items discussed above are:

Compensated absences expense	129,817	
Pension benefit expense	14,481,836	
Other postemployment benefits expense	(188,463)	
Amortization of debt premium/discount	(1,021,149)	
Amortization of deferred loss from refunding	2,509,473	
Accrued interest on long-term debt	<u>25,454</u>	15,936,968

Because some property taxes will not be collected for several months after the School District's fiscal year ends, they are not considered available revenues in the governmental funds. Deferred tax revenues decreased by this amount this year.

(846,886)

Change in net position of governmental activities \$ 20,141,507

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022

	Enterprise Fund
	Food Service
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 1,970
Due from Other Governments	233,523
Other Receivables	1,882
Interfund Receivable	8,168,363
Inventories	73,675
TOTAL ASSETS	8,479,413
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pensions	633,198
OPEB	71,347
TOTAL DEFERRED OUTFLOWS OF RESOURCES	704,545
<u>LIABILITIES</u>	
Current Liabilities	
Interfund payable	7,045,772
Accrued salaries and benefits	63,095
Deposits payable	17,088
Unearned revenue	12,406
Total Current Liabilities	7,138,361
Noncurrent Liabilities	
Net OPEB	271,916
Net Pension Liability	3,637,625
Total Noncurrent Liabilities	3,909,541
TOTAL LIABILITIES	11,047,902
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pensions	884,625
OPEB	21,325
TOTAL DEFERRED INFLOWS OF RESOURCES	905,950
<u>NET POSITION</u>	
Unrestricted	(2,769,894)
TOTAL NET POSITION	\$ (2,769,894)

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Fund
	Food Service
Operating Revenues	
Food Service Revenue	222,747
Total Operating Revenues	222,747
Operating Expenses	
Salaries	1,161,536
Employee Benefits	1,192,775
Purchased Services	32,950
Supplies	1,905,870
Other operating expenses	4,648
Total Operating Expenses	4,297,779
Operating Loss	(4,075,032)
Nonoperating Revenues	
Local Sources	10,518
State Sources	351,070
Federal Sources	4,356,228
Total Nonoperating Revenues	4,717,816
Change in Net Position	642,784
Net Position - Beginning of year	(3,412,678)
Net Position - End of Year	\$ (2,769,894)

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Enterprise Fund Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	233,349
Cash Payments to Suppliers for Goods and Services	(1,931,222)
Cash Payments to Employees for Services	(1,810,757)
Net Cash Used In Operating Activities	(3,508,630)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Local Sources	\$ 10,518
State Sources	351,070
Federal Sources	4,253,137
Internal Activity	(1,106,095)
Net Cash Provided By Noncapital Financing Activities	3,508,630
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
Cash and Cash Equivalents - Beginning of Year	1,970
Cash and Cash Equivalents - End of Year	\$ 1,970
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	\$ (4,075,032)
ADJUSTMENTS TO RECONCILE OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Change in assets and liabilities	
Other Receivable	10,602
Inventory	20,784
Accrued Salaries and Benefits	9,247
Deposits Payable	(8,538)
Net Pension Liability and Pension Deferred Inflows/Outflows	492,933
Other Postemployment Benefits and Deferred Inflows/Outflows	41,374
Total Adjustments	566,402
Net Cash Used In Operating Activities	\$ (3,508,630)

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2022

	Custodial Fund
<u>ASSETS</u>	
Cash and Cash Equivalents	\$ 90,715
TOTAL ASSETS	90,715
 <u>LIABILITIES</u>	
Accounts payable	83,234
TOTAL LIABILITIES	83,234
 <u>NET POSITION</u>	
Restricted for custodial purposes	\$ 7,481
TOTAL NET POSITION & LIABILITIES	\$ 90,715

The accompanying notes are an integral part of the financial statements.

BRISTOL TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Custodial Fund
Operating Revenues	
Student Activities Income	75,282
Total Operating Revenues	75,282
Operating Expenses	
Student Activities	143,246
Total Operating Expenses	143,246
Operating (Loss) Gain	(67,964)
Net Position - Beginning of year	75,445
Net Position - End of Year	\$ 7,481

The accompanying notes are an integral part of the financial statements.

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Bristol Township School District have been prepared in accordance with the accounting system and procedures prescribed for school districts by the Commonwealth of Pennsylvania, Department of Education, which is in conformity with Accounting Principles Generally Accepted in the United States of America (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 District's significant accounting policies are described below.

Reporting Entity

The Bristol Township School District (the "District") is a school district of the Commonwealth of Pennsylvania Department of Education, governed by an elected nine-member school board. The statements reflect all funds and accounts directly under the control of the District. Using the criteria of financial accountability, there are no component units that are or should be included in the District's reporting entity.

The District is comprised of one high school, two middle schools, and three elementary schools. The District's operations are located in the Township of Bristol, Pennsylvania. Its service area is located within the geographic boundaries of the District. The District assesses taxpayers within its service area based upon taxing powers at its disposal. The ability of each of the District's taxpayers to honor their assessed obligations to the District is dependent upon economic and other factors affecting the taxpayers.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The statements distinguish between governmental and business-type activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the Proprietary Funds financial statements but differs from the manner in which Governmental Funds financial statements are prepared. Governmental Funds financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for Governmental Funds. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as an expense against current operations and accumulated depreciation is reported on the statement of net position.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities and for each segment of the business-type activities of the District. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of Governmental and Proprietary Funds financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

Governmental Fund financial statements are accounted for on "the flow of current financial resources" measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded as a fund liability when expected to be paid with expendable available financial resources. The financial statements for Governmental Funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financial sources) and uses (i.e. expenditures and other financing sources) of current financial resources.

The Proprietary Fund is accounted for on an "economic resources" measurement focus. Accordingly, the Statement of Revenues, Expenses and Changes in Fund Net Position for the Proprietary Fund reports increases and decreases in total economic net worth. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Fiduciary Funds are reported using the economic resources measurement focus.

Fund Accounting

The accounts of the District are organized on the basis of funds, each of which constitutes a separate accounting entity. The operations of each fund are accounted for within a separate set of self-balancing accounts. The various funds of the District are grouped into the categories governmental, proprietary, and fiduciary.

Governmental Funds

Governmental Funds are those through which most District functions are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except those accounted for in the Proprietary Fund and Fiduciary Funds) are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial resources rather than upon determination of net income. The following are the District's major Governmental Funds:

General Fund

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Capital Projects Fund

The Capital Projects Fund accounts for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes.

Proprietary Funds

Proprietary Funds are used to account for ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the government's proprietary fund are charges to customers for sales and services.

Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. All proprietary activities are accounted for using GASB pronouncements as established by GASB No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*. The Proprietary Fund is classified as an Enterprise Fund for the District's Food Service operations. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund's principal ongoing operations.

Fiduciary Funds

Fiduciary Funds are used to account for assets held by the District on behalf of other funds within the District. The Fiduciary Funds are prepared under the economic resources measurement focus and the accrual basis of accounting.

Custodial Funds

Custodial Funds consist of student activities funds, which are established to account for the receipts and disbursements of various school activities administered for the general

welfare of the students. The organizations exist at the explicit approval of and are subject to revocation by the Board of School Directors. However, this is the extent of the District's involvement. The students of the student activity organizations are involved with the decision making process of the custodial funds. The accounting reflects the District's custodial relationship with the student activity organizations.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Investments

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, amounts due from banks and highly-liquid investments with original maturities of less than 90 days and no restrictions on withdrawal.

Statutes authorize the District to invest in 1) obligations, participations and other instruments of any Federal agency, 2) repurchase agreements with respect to U.S. Treasury bills or obligations, 3) negotiable certificates of deposit, 4) bankers' acceptances, 5) commercial paper, 6) shares of an investment company registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933, and 7) savings or demand deposits. The specific conditions under which the District may invest in these categories are detailed in Pennsylvania Act N. 53 of 1973, as amended by Pennsylvania Act No. 10 of 2016. Investments are stated at fair value or amortized cost, as applicable.

The School District has adopted GASB Statements No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*; No. 72, *Fair Value Measurement and Application* and No. 79, *Certain External Investment Pools and Pool Participants*. In accordance with these Statements, investments in marketable securities with readily determinable fair value and all investments in debt securities are reported at their fair values. Investments in qualifying external investment pools are reported at amortized cost basis.

Intergovernmental Receivables/Payables

During the course of operations, numerous transactions occur between governmental units for payment of services and subsidy payments. These receivables and payables are classified as intergovernmental receivables/payables on the balance sheet.

Inventories

Inventory of the Food Service Fund is presented at the lower of cost or market. Cost is determined on a first in, first out basis, and is expensed when used.

Capital Assets

Capital assets, which include land, buildings, building improvements, and machinery and equipment, are reported in the governmental column in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

The District's capitalization level for capital assets is assets with an initial, individual cost equal to or greater than \$5,000 and an estimated useful life in excess of one year. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Estimated Lives</u>
Building and building improvements	20-50 years
Machinery and equipment	5-20 years

Compensated Absences

The District employees accumulate sick time in accordance with their applicable contracts.

Any excess vacation days not used by June 30 are converted to sick leave at a rate up to \$70 per day for teachers and administrative personnel and up to \$55 per day for support staff based on probability of retirement or termination. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements. The current portion of this debt is estimated based on historical trends.

Deferred Inflows and Unearned Revenue

Food Service Fund unearned revenues represent food received in its food service operations that is on hand at June 30, 2022. Such revenues will be recognized when the food commodities are used.

The District previously implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District's deferred outflows on the statement on net position consist of deferred charges on debt refunding, net of accumulated amortization and the deferred outflows related to pension and OPEB activity. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition prices. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows related to pension and OPEB activity are reported in the statement of net position and are deferred and recognized as an outflow of resources in the period to which the expense applies.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items, which arise only under a modified accrual basis of accounting that qualify for reporting in this category. The first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. The second item, deferred inflows related to pension and OPEB activity, are reported in the government-wide statement of net position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose for both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and Proprietary Fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the government activities column of the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds.

In the fund financial statements, Governmental Funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources and payment of principal and interest reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Interfund Assets/Liabilities

For fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables/Payables". Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position.

Equity Classifications

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of these assets.
- **Restricted** – Consists of net position with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted** – All other net position that does not meet the definition of “investment in capital assets” or “restricted”.

Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) released Statement 54 – *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) on March 11, 2009 which was effective for the District’s fiscal year ending June 30, 2011. This Statement is intended to improve the usefulness of the amounts reported in fund balance by providing more structural classifications. Under GASB 54, fund balance is reported under the following five classifications:

- **Nonspendable Fund Balance** – Consists of amounts that are not in a spendable form or are required to be maintained intact. Nonspendable fund balance of \$1,402,824 represents prepaid expense.
- **Restricted Fund Balance** – Consists of amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally, or through enabling legislation. The Capital Projects Fund balance reflect amounts that are restricted for construction.
- **Committed Fund Balance** – Consists of amounts that can only be used for the specific purposes determined by a formal action of the District’s highest level of decision-making authority (the Board of Directors) and do not lapse at year end. The committed fund balance consists of a commitment by the board for future retirement benefits.
- **Assigned Fund Balance** – Consists of amounts intended for a specific purpose by the Board of Directors that has been delegated authority to assign amounts. This fund balance classification reflects funds assigned for capital projects.
- **Unassigned Fund Balance** – Consists of any remaining fund balance that has not been reported in any other classification.

The Board of School Directors establishes (and modifies or rescinds) fund balance commitments by the passage of a resolution. When both restricted and unrestricted fund balances are available for use, it is the District's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first by assigned amounts, and then unassigned amounts when expenditures are incurred for

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

purposes for which amounts in any of those unrestricted fund balance classifications can be used.

NOTE B CASH AND INVESTMENTS

Cash

Under Act No. 72 enacted by the general assembly of the Commonwealth of Pennsylvania, the funds deposited with the depository are permitted to be secured on a pooled basis with all other public funds which the banking institution has on deposit in excess of the Federal Depository Insurance limit. These may be bonds of the United States, any State of the United States, or bonds of any political subdivision of Pennsylvania, or the general state authority or other authorities created by the General Assembly of the Commonwealth of Pennsylvania or insured with the Federal Deposit Insurance Corporation.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2022, \$36,708,131 of the District's bank balance of \$36,958,131 was exposed to custodial credit risk as follows:

Uninsured and collateral held by:

Pledging bank's trust department not in the District's name	\$ 35,716,037
Pennsylvania School District Liquid Asset Fund	<u>992,094</u>
	<u>\$ 36,708,131</u>

Of the bank balance, \$250,000 was covered by federal depository insurance. Cash deposits totaling \$992,095 are in the Pennsylvania School District Liquid Asset Fund (PSDLAF) and uninsured. Although not registered with the Securities and Exchange Commission and not subject to regulatory oversight, PSDLAF acts like a money market mutual fund in that its objective is to maintain a stable net asset value of \$1 per share, is rated by a nationally recognized organization and is subject to an independent annual audit.

Investments

Credit Risk - State law permits the District to invest funds in the following types of investments:

Obligations of (1) the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, (2) the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or (3) any political subdivision of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision.

The District's investment policy does not further limit its investment choices.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The District's investment policy does not further limit its investment choices. As

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 JUNE 30, 2022

of June 30, 2022, the District's investments in the statement investment pool was rated AAAM by Standard & Poor's.

The District's investments are in the PLGIT program, of which are funds similar to mutual funds. GASB Statement No. 3, Paragraph 69, provides that certain types of cash and investments, such as cash investments in a State Treasurer's investment pool or mutual fund, cannot be assigned a credit risk category because the government does not own specific securities. Therefore, the PGLIT cash investments included in these statements will not be assigned a credit risk category. The carrying amount of these investments at June 30, 2022, is \$16,991,103. These assets maintain a stable net asset value of \$1 per share.

Interest Rate Risk

As of June 30, 2022 the School District had the following investments and maturities:

Investment Type	Balance	Investment Maturities Less Than One Year
Certificate of Deposit	\$ 25,030,633	\$ 25,030,633
State Investment Pool	16,991,103	-
	\$ 42,021,736	\$ 25,030,633

Participation in External Investment Pools

Investment Pool investments are multiple investment portfolios with PSDLAF similar to a money market fund. The portfolio securities are valued at amortized cost, which approximates market value. At June 30, 2022, the District has investments classified as cash and cash equivalents in money market holdings of \$992,094. The District has no regulatory oversight for the pool, which is governed by the Board of Trustees. The pool is audited annually by PricewaterhouseCoopers LLP. The pool is rated AAA by Standard & Poor's. PSDLAF issues separate financial statements available at www.psdlaf.org.

The Pennsylvania Local Government Investment Trust (PLGIT) I-Class is a 2a7-like pool. The District's investment in PLGIT is reported at amortized cost, which approximates fair value.

The District has no regulatory oversight for the pool, which is governed by the Board of Trustees and is administered by PFM Asset Management, LLC. The pool is audited annually by Ernst & Young, LLP. The pool is rated AAA by Standard & Poor's. PLGIT issues separate financial statements available at www.plgit.com.

Restrictions on Qualified Investment Pool Withdrawals. The District is limited to two withdrawals per calendar month from the PLGIT account.

NOTE C SCHOOL TAXES

The tax on real estate, as levied by the School Board, was 220.14 mills (\$0.22014 per \$1 of assessed valuation) for fiscal year 2021-2022. Assessed valuation of property is

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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established by the Board of Assessments, and the elected or appointed tax collectors are responsible for collection. Real property in the District for the July 1, 2021 levy was assessed at \$422,133,860. The schedule for real estate taxes levied for each fiscal year is as follows:

Levy date	July 1
2% discount period	July 1 to August 31
Face value period	September 1 to October 31
10% penalty period	November 1 to December 31
Lien date	January 1

For government-wide financial statements, the school district, in accordance with GAAP, recognized the delinquent and unpaid taxes receivable. A portion of the amount estimated to be collectible, which was measurable and available within 60 days, was recognized as revenue and the balance deferred in the fund financial statements.

NOTE D INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The following is a summary of interfund activity for the year ending June 30, 2022:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
<u>Governmental Funds:</u>		
General	\$ 7,045,772	\$ 10,580,995
Nonmajor Funds	<u>2,412,632</u>	<u>-</u>
Total Governmental Funds	<u>9,458,404</u>	<u>10,580,995</u>
<u>Proprietary Funds:</u>		
<u>Enterprise Funds:</u>		
Food Service	<u>8,168,363</u>	<u>7,045,772</u>
Total Proprietary Funds	<u>8,168,363</u>	<u>7,045,772</u>
	<u>\$ 17,626,767</u>	<u>\$ 17,626,767</u>

These balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE E CAPITAL ASSETS

Capital asset activity for governmental activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Disposals	Balance June 30, 2022
Capital Assets not Being Depreciated (cost):				
Land	\$ 1,810,914	\$ -	\$ -	\$ 1,810,914
Construction in Process	<u>6,848,425</u>	<u>42,189,467</u>	<u>-</u>	<u>49,037,892</u>
Total Capital Assets not Being Depreciated	<u>8,659,339</u>	<u>42,189,467</u>	<u>-</u>	<u>50,848,806</u>
Capital Assets Being Depreciated:				
Building and Improvements	197,207,485	179,354	-	197,386,839
Machinery and Equipment	<u>14,284,415</u>	<u>747,670</u>	<u>-</u>	<u>15,032,085</u>
Total Capital Assets Being Depreciated	<u>211,491,900</u>	<u>927,024</u>	<u>-</u>	<u>212,418,924</u>
Less Accumulated Depreciation for:				
Building and Improvements	(56,539,519)	(5,079,789)	-	(61,619,308)
Machinery and Equipment	<u>(9,997,454)</u>	<u>(1,305,864)</u>	<u>-</u>	<u>(11,303,318)</u>
Total Accumulated Depreciation	<u>(66,536,973)</u>	<u>(6,385,653)</u>	<u>-</u>	<u>(72,922,626)</u>
Capital Assets Being Depreciated, Net	<u>144,954,927</u>	<u>(5,458,629)</u>	<u>-</u>	<u>139,496,298</u>
Governmental Activities, Capital Assets, Net	<u>\$ 153,614,266</u>	<u>\$ 36,730,838</u>	<u>\$ -</u>	<u>\$ 190,345,104</u>

Depreciation expense for Governmental Activities was charged as direct expense to programs of the primary government as follows:

Instruction	\$ 3,639,838
Instructional Student Support	498,329
Administration and Financial Services	327,950
Operation and Maintenance of Plant	1,875,821
Community Service	5,544
Student Activities	<u>38,171</u>
	<u>\$ 6,385,653</u>

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE F LONG-TERM LIABILITIES

The following is a summary of governmental long-term liability activity of the District for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022	Due Within One Year
<u>Governmental activities</u>					
General Obligation Note, Series of 2003	\$ 204,000	\$ -	\$ (65,000)	\$ 139,000	\$ 68,000
General Obligation Bonds, Series of 2013	84,110,000	-	(45,345,000)	38,765,000	2,945,000
General Obligation Bonds, Series of 2017	23,555,000	-	(790,000)	22,765,000	805,000
General Obligation Bonds, Series of 2020	24,850,000	-	(110,000)	24,740,000	110,000
General Obligation Bonds, Series of 2021 A&B	8,625,000	-	(365,000)	8,260,000	370,000
General Obligation Bonds, Series of 2021 C	26,170,000	-	-	26,170,000	645,000
General Obligation Bonds, Series of 2021 D	-	46,010,000	(60,000)	45,950,000	425,000
General Obligation Bonds, Series of 2022	-	24,535,000	-	24,535,000	5,000
Total General obligation debt	167,514,000	70,545,000	(46,735,000)	191,324,000	5,373,000
Bond Premium	6,777,661	1,364,417	(352,105)	7,789,973	-
Bond Discount	(8,837)	8,837	-	-	-
Leases	1,772,720	-	(466,141)	1,306,579	-
Compensated absences	1,556,400	-	(129,817)	1,426,583	-
Net Pension Liability	180,850,881	-	(38,983,506)	141,867,375	-
Other Postemployment Benefits	15,724,766	407,010	-	16,131,776	-
Governmental activities long-term liabilities	\$ 374,187,591	\$ 72,325,264	\$ (86,666,569)	\$ 359,846,286	\$ 5,373,000
<u>Business-type activities</u>					
Net Pension Liability	\$ 3,697,119	\$ -	\$ (59,494)	\$ 3,637,625	\$ -
Other Postemployment Benefits	227,370	44,546	-	271,916	-
Business-type activities long-term liabilities	\$ 3,924,489	\$ 44,546	\$ (59,494)	\$ 3,909,541	\$ -

The General Fund has been used to liquidate compensated absences, pension liabilities, and other postemployment benefits in prior years.

The General Obligation Note Series of 2003 has an underlying market value of related interest rate swap of \$10,190. Delaware Valley Regional Finance Authority, the lender, has entered into "underlying" interest rate swap agreements related to its Bonds in order to provide variable and fixed rate loans. The "market value" is the estimated price that the lender would receive or cost it would pay if the lender terminated the portion of the swap agreements related to that loan on June 30, 2022. If the termination value was negative and the related interest rate swap agreement were terminated, the borrower would be obligated to pay the lender the amount of the termination payment. A related interest rate swap agreement may be terminated under the following circumstances:

- a) The lender and the Counterparty mutually consent to the termination,
- b) The lender or the Counterparty default or their financial conditions deteriorate to make a default imminent,
- c) The borrower defaults on its loan, or
- d) The borrower prepays or terminates the rate of a fixed rate loan before its scheduled termination date.

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The lender would seek to replace the terminated underlying swap agreement with a new agreement with similar terms and conditions. At market value, the loss or gain of the replacement swap should offset the gain or loss from the termination payment. The lender may not be able to secure a replacement interest rate swap if the swap market is not functioning normally or if the lender does not have access to the swap market. The long term, unsecured, senior debt ratings of the lender are currently "A1" and "A+" by Moody's Investors Service and Standard and Poor's, respectively.

In 2013, the District issued General Obligation Bonds Series of 2013 for \$119,665,000. The bonds were for the purpose of construction of the new elementary schools and existing school projects and other capital projects.

In 2017, the School District issued General Obligation Bonds Series of 2017 for \$26,000,000. The bonds were used for purpose of renovation, furnishing, and equipping, and making additions to the new elementary schools, other various school projects within the School District, and costs associated with the insuring of the Bonds.

In 2020, the District issued General Obligation Bonds Series of 2020 for \$25,040,000. The bonds were used for the purpose of refinancing a portion of the School District's General Obligation Bonds Series of 2013 and to pay the costs of issuing the Bonds.

In 2021, the District issued General Obligation Bonds Series A and B of 2021 for \$9,000,000. The bonds were used for the purpose of refinancing the School District's General Obligation Series of 2016 and to pay the costs of issuing insuring the Bonds. Also, the District issued General Obligation Bonds Series C of 2021 for \$26,170,000. The bonds were used for the purpose of financing various capital projects of the District, including but not limited to the planning, designing, renovation/construction, and equipping of the Ben Franklin Middle School and to pay the costs and expenses related to issuing and insuring the Bonds.

In 2021, the District issued General Obligation Bonds Series D of 2021 for \$46,010,000. The bonds were used for the purpose of advance refunding a portion of the District's General Obligation Bonds Series of 2013 and to pay the costs of issuing the Bonds. The issuance costs incurred totaled \$565,966. The bonds mature on June 1, 2037 and carry an interest rate of .806 % through 3.218%.

This refunding transaction resulted in an estimated cash flow savings of \$7,207,125 and an estimated economic loss of \$2,924,789 for the School District.

In 2022, the District issued General Obligation Bonds Series of 2022 for \$24,535,000. The bonds were used for the purpose of financing various capital projects of the District, including but not limited to the planning, designing, renovation/construction, and equipping of the Ben Franklin Middle School and to pay the costs of issuing the Bonds. The issuance costs incurred totaled \$334,542. The bonds mature on June 1, 2050 and carry an interest rate of 2.0% through 4.0%.

BRISTOL TOWNSHIP SCHOOL DISTRICT
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JUNE 30, 2022

Principal and interest payments for bonds and notes for the succeeding fiscal years are as follows:

	Principal Retirements	Interest Requirements	Total Debt Service Requirements
Years Ended June 30:			
2023	\$ 5,373,000	\$ 6,912,604	\$ 12,285,604
2024	6,091,000	6,631,510	12,722,510
2025	6,255,000	6,461,536	12,716,536
2026	6,515,000	6,209,690	12,724,690
2027	6,740,000	5,983,674	12,723,674
2028-2032	37,325,000	26,273,856	63,598,856
2033-2037	43,380,000	20,374,532	63,754,532
2038-2042	53,860,000	11,504,580	65,364,580
2043-2047	20,255,000	2,794,208	23,049,208
2048-2050	5,530,000	386,400	5,916,400
	<u>\$ 191,324,000</u>	<u>\$ 93,532,590</u>	<u>\$ 284,856,590</u>

Interest Expense

Interest expense for bonds and notes for the year ended June 30, 2022 was \$6,623,785.

NOTE G LEASES

On June 27, 2018, Bristol Township School District entered into a five-year lease agreement for copiers. Payments are made monthly. The implicit interest rate is 9.75%. At the end of the lease, title will pass to Bristol Township School District. The principal amount of the lease is \$237,179. This amount has been added to capital assets and long-term liabilities in the government-wide financial statements.

On July 1, 2019, the School District entered into a six-year lease agreement for busing services. The interest rate on the lease is 2.00%. The total principal amount of the lease is \$2,502,780. This amount has been added to capital assets and long-term liabilities in the government-wide financial statements.

The assets acquired through the leases are as follows:

Cost	\$ 1,905,699
Accumulated Depreciation	523,448
Total	<u>\$ 1,382,251</u>

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The future minimum lease payments under the capital leases and the net present value of future minimum capital lease payments at June 30, 2022 are as follows:

Year Ending December 31,	
2023	\$ 490,856
2024	443,137
2025	<u>438,800</u>
Total Minimum Lease Payments	1,372,793
Less: Amount Representing Interest	<u>66,214</u>
Present Value of Minimum Lease Payments	<u>\$ 1,306,579</u>

NOTE H PENSION PLAN

Public School Employees' Retirement System

For purpose 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 Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan Description

PSERS is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Benefits Provided

PSERS provides retirement, disability, and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose

membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for the disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

All members are fully vested in their individual balance in the Members' Saving Account. All non-vested members may receive a refund of their individual balance of member contributions and interest from the Members' Savings Account upon termination of public school employment. Vested members who enrolled prior to July 1, 2011 may elect to receive a return of their accumulated contributions and interest upon their retirement which results in a reduced monthly annuity. Vested Class T-E and T-F members cannot withdraw their accumulated contributions and interest from the Members' Savings Account upon their retirement.

Contributions

Member Contributions

Active members who joined the System prior to July 22, 1983, contribute at 5.25% (Membership Class T-C) or at 6.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

Members who joined the System after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011, who elect Class T-F membership, contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by the "shared risk" provision in Act 120 of 2010 that in future fiscal years

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could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Members who joined the system after June 30, 2019 are eligible for Hybrid Defined Benefit and Defined Contribution Membership Classes T-G or T-H or a 100% Defined Contribution option, as enacted by Act 5.

Employer Contributions

The School Districts' contractually required contribution rate for fiscal year ended June 30, 2021 was 33.99% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the District were \$18,163,903 for the year ended June 30, 2022.

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

At June 30, 2022, the District reported a liability of \$145,505,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2020 to June 30, 2021. The District's proportion of the net pension liability was calculated utilizing the employer's one-year reported contributions as it relates to the total one-year reported contributions. At June 30, 2022, the District's proportion was 0.3544 percent, which was a decrease of 0.0204 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2021, the District recognized pension expense of \$3,787,000. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings	\$ -	\$ 22,582,950
Difference between expected and actual experience	104,325	1,864,200
Changes in proportions	-	10,053,225
Changes in assumptions	6,880,575	-
Contributions subsequent to the measurement date	<u>17,709,805</u>	<u>-</u>
Total	<u>\$ 24,694,705</u>	<u>\$ 34,500,375</u>

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	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ -	\$ 579,050
Difference between expected and actual experience	2,675	47,800
Changes in proportions	-	257,775
Changes in assumptions	176,425	-
Contributions subsequent to the measurement date	454,098	-
Total	\$ 633,198	\$ 884,625

\$18,163,903 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Governmental Activities	Business-Type Activities	Total
Year ended June 30:			
2023	\$ (8,558,000)	\$ (219,000)	\$ (8,777,000)
2024	(6,523,000)	(167,000)	(6,690,000)
2025	(5,139,000)	(132,000)	(5,271,000)
2026	(7,296,000)	(187,000)	(7,483,000)
	\$ (27,516,000)	\$ (705,000)	\$ (28,221,000)

Actuarial Assumptions

The total pension liability as of June 30, 2021, was determined by rolling forward the System's total pension liability at June 30, 2020 to June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method – Entry Age Normal – level % of pay.
- Investment return – 7.00%, includes inflation at 2.50%.
- Salary growth – Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Mortality rates were based on a blend of 50% pubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study that was performed for the five-year period ended June 30, 2020.

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The long-term expected rate of return on plan investments 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.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	27.0%	5.2%
Private equity	12.0%	7.3%
Fixed income	35.0%	1.8%
Commodities	10.0%	2.0%
Absolute return	8.0%	3.1%
Infrastructure/MLPs	8.0%	5.1%
Real estate	10.0%	4.7%
Cash	3.0%	0.1%
Leverage	(13.0%)	0.1%
	100.0%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. 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 periods of projected benefit payments to determine the total pension liability.

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

The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

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	1% Decrease 6.00%	Current discount rate 7.00%	1% Increase 8.00%
		<i>(in Thousands)</i>	
District's share of the net pension liability	\$ 190,981	\$ 145,505	\$ 107,144

Act 5 of 2017

On June 12, 2017, the Commonwealth of Pennsylvania Act 5 of 2017 was signed into law. This legislation established a new hybrid defined benefit/defined contribution retirement benefit plan applicable to all school employees who become new members of PSERS on July 1, 2019 and thereafter. The three new plan options under Act 5 are as follows:

- Option 1: (Default Hybrid): A side-by-side DB/DC hybrid with a 1.25% multiplier for the DB component. This is the default plan if no election is made by the employee within 90 days. School employees become members of a new Class T-G.
- Option 2: (Alternative Hybrid): A side-by-side DB/DC hybrid with a 1% multiplier for the DB component. School employees become members of a new Class T-H.
- Option 3: Defined Contribution Plan

The current stand-alone defined benefit plan is no longer available to new members after June 30, 2019.

Payable to the Pension Plan

At June 30, 2022, the District reported a payable of \$4,767,977 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

NOTE J OTHER POST-EMPLOYMENT BENEFITS PLAN - PSERS

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSER's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Health Insurance Premium Assistance Program

Health Insurance Premium Assistance Program

The System provides Premium Assistance which, is a governmental cost sharing, multiple-employer other postemployment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. AS of June 30, 2022 there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of the System can participate in the Premium Assistance program if they satisfy the following criteria:

- Have 24 ½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health insurance program

Pension Plan Description

PSERS is a governmental cost-sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2022 there were no assumed future benefit increases to participating eligible retirees.

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Employer Contributions

The School District's contractually required contribution rate for the fiscal year ended June 30, 2022 was 0.80% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were \$442,102 for the year ended June 30, 2022.

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2022, the District reported a liability of \$8,416,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2020 to June 30, 2021. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2022, the District's proportion was 0.3551 percent, which was a decrease of 0.0206% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2022, the District recognizes OPEB expense of \$335,000. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources to OPEB from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 16,575	\$ -
Difference between expected and actual experience	76,050	-
Changes in proportions	72,235	724,510
Changes in assumptions	873,600	109,200
Contributions subsequent to the measurement date	431,049	-
Total	<u>\$ 1,469,509</u>	<u>\$ 833,710</u>

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	Business-Type Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 425	\$ -
Difference between expected and actual experience	1,950	-
Changes in proportions	1,800	18,525
Changes in assumptions	20,365	765
Contributions subsequent to the measurement date	11,053	-
Total	\$ 35,593	\$ 19,290

\$442,102 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Governmental Activities	Business- Type Activities	Total
2022	\$ (30,225)	\$ (775)	\$ (31,000)
2023	(32,175)	(825)	(33,000)
2024	114,075	2,925	117,000
2025	65,325	1,675	67,000
2026	39,975	1,025	41,000
Thereafter	47,775	1,225	49,000

Actuarial Assumptions

The Total OPEB Liability as of June 30, 2021, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2020 to June 30, 2021 using the following actuarial assumptions, applied to all period included in the measurement:

- Actuarial cost method- Entry Age Normal- level % of pay.
- Investment return- 2.18%- S&P 20 Year Municipal Bond Rate
- Salary growth- Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.

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- Participation rate:
 - Eligible retirees will elect to participate Pre age 65 at 50%.
 - Eligible retirees will elect to participate Post age 65 at 70%.

In the 2021 actuarial valuation, the discount rate changed from 2.66% to 2.18%.

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2019 determined the employer contribution rate for fiscal year 2021.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: 63% of eligible retirees are assumed to elect premium assistance.
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Investments consist primarily of short term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	79.8%	0.1%
US Core Fixed Income	17.5%	0.7%
Non-US Developed Fixed	2.7%	(0.3%)
Total	100.0%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2021.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.18%. Under the plan's funding policy, contributions are structured for short term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 2.18% which represents the S&P 20 year Municipal Bond Rate at June 30, 2021, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Change in Healthcare Cost Trend Rates

The following presents the District's proportionate share of the net OPEB liability for June 30, 2022, calculated using current Healthcare cost trends as well as what the District's proportionate share of the net OPEB liability would be if the health cost trends were 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (Between 4% - 6%)	Current Medical Trend Rate (Between 5% - 7%)	1% Increase (Between 6% - 8%)
District's proportionate share of the net OPEB liability	<u>\$ 8,415,000</u>	<u>\$ 8,416,000</u>	<u>\$ 8,417,000</u>

The following presents the net OPEB liability, calculated using the discount rate of 2.18%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.18%) or 1-percentage point higher (3.18%) than the current rate:

	1% Decrease 1.18%	Current Discount Rate 2.18%	1% Increase 3.18%
District's proportionate share of the net OPEB liability	<u>\$ 9,658,000</u>	<u>\$ 8,416,000</u>	<u>\$ 7,393,000</u>

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report, which can be found on the System's website at www.psers.pa.gov.

NOTE K OTHER POST-EMPLOYMENT BENEFITS PLAN – SINGLE EMPLOYER PLAN

Plan Description

The School District provides medical and prescription drug insurance benefits to eligible retired employees, spouses and dependents through a single-employer defined benefit

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plan. The benefits, benefits level, employee contribution and employer contribution are administered by School District Supervisors and can be amended by the School District through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a stand-alone financial report. The activity of the plan is reported in the School District's General Fund.

Plan Membership

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

Active Participants	601
Retired Participants	<u>240</u>
Total	<u>841</u>

Benefits Provided

For teachers who reach 25 years of PSERS service and 15 years of service with the District, the Bristol Township Teachers' Health and Welfare Trust will contribute \$100/month toward the cost of medical coverage for a period of 10 years from the date of retirement. All participants must convert to a Medicare Supplemental Plan upon reaching age 65. The member and spouse may also continue dental and vision benefits by paying the full premium for the coverage elected.

For administrators who reach 25 years of PSERS service and ten years of service with the District, the District will contribute \$2,500 per year toward the cost of medical coverage for the member until the member reaches age 65. The member and spouse may also continue dental and vision benefits by paying the full premium for the coverage elected.

For support staff, members can continue medical, dental, and vision coverage by paying the full premium. Members of the Office and Professional Employees Internal Union will be eligible to continue on the group life insurance with a face amount equal to \$10,000. Members of the Transport Workers Union will be eligible to continue on the group life insurance with a face amount equal to \$5,000. The member must pay the full premium at the group rate for coverage.

Funding Policy and Funding Status

The plan is an unfunded plan with no assets accumulated in a trust. Contributions to the plan are equal to benefit payments. For the year ending June 30, 2022 benefit payments paid as they came due were \$300,654.

Total OPEB Liability

The District's total OPEB liability of \$7,987,692 was measured as of July 1, 2021 and was rolled forward using actuarial assumptions at the valuation date of July 1, 2020.

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Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary Increases	As assumption for salary increases is used only for spreading contributions over future pay under the entry age normal cost method. For this purpose, salary increased are composed of 2.5% cost of living adjustment, 1% real wage growth, and for teacher and administrators a merit increase which varies by age from 2.75 to 0%.
Discount Rate	2.28%
Healthcare Cost Trend Rates	5.5% in 2020 through 2023, 5.4% in 2024, decreasing to an ultimate rate of 4.0% by 2075.

The discount rate was based on the S&P Municipal Bond 20 Year High Grade Rate Index at July 1, 2021.

Mortality rates are assumed using the rates assumed in the PSERS defined benefit pension plan actuarial valuation with projections incorporated based on the Buck Modified 2016 projection scale to reflect mortality improvement.

The actuarial assumptions used in the July 1, 2020 valuation were based on historical results, as a recent experience study was not completed.

Changes in the Total OPEB Liability

Changes in the District's total OPEB liability for the plan for the fiscal year ended June 30, 2022 was as follows:

	<u>Total OPEB Liability</u>
Balance at 6/30/2020, beginning of year	\$ 7,834,136
Changes for the year:	
Service Cost	467,551
Interest	152,050
Differences between expected and actual experience	-
Changes in Assumptions	(231,613)
Benefit Payments	<u>(234,432)</u>
Net Changes	<u>153,556</u>
Balance at 6/30/2021, end of year	<u>\$ 7,987,692</u>
Split of Total OPEB Liability, end of year:	
Governmental Activities	7,926,176
Business-Type Activities	<u>61,516</u>
Total	<u>\$ 7,987,692</u>

Changes in assumptions reflect a change in the discount rate from 1.86% to 2.28%.

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Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower (4.5%) or 1-percentage higher (6.5%) than the current discount rate:

	1% Decrease 4.50%	Medical Trend Rate 5.50%	1% Increase 6.50%
Total OPEB Liability	\$ 7,199,691	\$ 7,987,692	\$ 8,911,584

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.28%) or 1-percentage higher (3.28%) than the current discount rate:

	1% Decrease 1.28%	Current Discount Rate 2.28%	1% Increase 3.28%
Total OPEB Liability	\$ 8,544,828	\$ 7,987,692	\$ 7,452,057

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

For the year ended June 30, 2022, the School recognized OPEB expense of \$631,593. At June 30, 2022, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 26,141	\$ 238,284
Changes in assumptions	665,025	418,661
Contributions subsequent to the measurement date	300,654	-
Total	\$ 991,820	\$ 656,945
Split of Deferred Outflows/Inflows of Resources:		
Governmental Activities	\$ 956,066	\$ 654,910
Business-Type Activities	35,754	2,035
Total	\$ 991,820	\$ 656,945

\$300,654 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in employee benefit expense as follows:

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

Year ended June 30:	Governmental Activities	Business-Type Activities	Total
2023	\$ 6,358	\$ 5,634	\$ 11,992
2024	6,358	5,634	11,992
2025	6,360	5,630	11,990
2026	(19,215)	5,595	(13,620)
2027	39,024	5,928	44,952
Thereafter	(32,890)	(195)	(33,085)

NOTE L CONTINGENCIES-CLAIMS OR LITIGATION

The District is a defendant in a number of threatened and actual legal claims. The ultimate liability that might result from final resolution of the matters is not presently determinable. However, the District believes that the final settlement of these matters will not have a material adverse effect on the financial position of the District.

Certain tax assessment appeals are ongoing. The amount of loss contingency, due to the nature of tax assessment appeals, is not determinable.

NOTE M JOINT VENTURES

The District is a participating member of the Bucks County Technical School (the Votech). The Votech is run by a joint board consisting of school directors from each member district. The board of directors from each member district must approve the Votech's annual operating budget. Each member district pays a private share of the operating costs of the Votech based on the number of students from each district. For the fiscal year ended June 30, 2022, the District's share of the operating costs was \$6,396,376. The Votech prepares financial statements which are available to the public.

NOTE N RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Significant losses are covered by commercial insurance. There were not significant reductions in insurance coverages for the fiscal year ended June 30, 2022.

NOTE O COMMITMENTS AND CONTINGENCIES

The District has commitments under long-term construction contracts for the construction and renovation of Benjamin Franklin Middle School totaling approximately \$41,461,972 as of June 30, 2022.

As the effects of the Coronavirus pandemic continue to evolve and are dependent upon future developments, the impact of the Coronavirus on the District's operations and financial results are uncertain at this time.

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE P DEFEASED DEBT

In prior years, certain bonds were defeased in substance by placing an amount in irrevocable trusts to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account assets and the liability for the in-substance defeased bonds are not included in the School District's financial statements.

As of June 30, 2022, the School District has defeased debt outstanding of \$72,210,000.

NOTE Q SUBSEQUENT EVENTS

The District had evaluated all subsequent events through the report issue date. No events have taken place that effect the financial statements or require disclosure.

BRISTOL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

REVENUES	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Local Sources	\$ 91,949,667	\$ 91,949,667	\$ 94,460,239	\$ 2,510,572
State Sources	48,877,698	48,877,698	48,631,742	(245,956)
Federal Sources	5,012,344	5,012,344	14,633,034	9,620,690
Total Revenues	145,839,709	145,839,709	157,725,015	11,885,306
EXPENDITURES				
Instructional Services				
Regular Programs	53,608,449	53,608,449	54,819,036	(1,210,587)
Special Programs	33,403,520	33,403,520	35,274,939	(1,871,419)
Vocational Programs	7,452,706	7,452,706	7,482,958	(30,252)
Other Instructional Program	771,419	771,419	460,034	311,385
Nonpublic School Programs	109,703	109,703	116,787	(7,084)
Pre-Kindergarten Programs	680,000	680,000	700,895	(20,895)
Total Instructional Services	96,025,797	96,025,797	98,854,649	(2,828,852)
Instructional Support Services				
Pupil Personnel Services	5,105,592	5,105,592	5,504,710	(399,118)
Instructional Staff Services	4,706,313	4,706,313	5,868,955	(1,162,642)
Administrative Services	6,162,917	6,162,917	6,583,037	(420,120)
Pupil Health	1,549,932	1,549,932	1,922,026	(372,094)
Business Services	1,241,378	1,241,378	1,311,669	(70,291)
Operation of Plant and Maintenance Services	8,243,405	8,243,405	8,800,426	(557,021)
Student Transportation Services	8,054,105	8,054,105	7,829,680	224,425
Central and Other Business Services	731,723	731,723	656,053	75,670
Other Support Services	65,000	65,000	30,143	34,857
Total Instructional Support Services	35,860,365	35,860,365	38,506,699	(2,646,334)
Noninstructional Services				
Student Activities	1,255,285	1,255,285	1,036,697	218,588
Community Services	144,989	144,989	150,555	(5,566)
Total Noninstructional Services	1,400,274	1,400,274	1,187,252	213,022
Capital Outlay	-	-	6,858,488	(6,858,488)
Debt Service	11,325,638	11,325,638	11,314,926	10,712
Total Expenditures	144,612,074	144,612,074	156,722,014	(12,109,940)
Excess of Revenues Over (Under) Expenditures	1,227,635	1,227,635	1,003,001	(224,634)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds	-	-	46,010,000	46,010,000
Payment to refunded bond escrow agent	-	-	(45,434,789)	(45,434,789)
Budgetary Reserve	(5,579,522)	(5,579,522)	-	5,579,522
Total Other Financing Sources (Uses)	(5,579,522)	(5,579,522)	575,211	6,154,733
Net Changes in Fund Balance	\$ (4,351,887)	\$ (4,351,887)	\$ 1,578,212	\$ 5,930,099

BRISTOL TOWNSHIP SCHOOL DISTRICT
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022

NOTE A - BUDGETARY INFORMATION

The District follows the following procedures in establishing the budgetary data reflected in the financial statements:

- Prior to January 31, the School Board adopts a proposed operating budget for the fiscal year commencing the following July 1 or adopts a resolution indicating that it will not raise the rate of any tax by more than its index. The operating budget includes proposed expenditures and the means of financing them for the General Funds.
- Public hearings are conducted at the Bristol Township School District building to obtain taxpayer comment.
- Prior to June 30, the budget is legally enacted through passage of an ordinance.
- Legal budgetary control is maintained by the School Board at the departmental level. Transfers between departments, whether between funds or within a fund, or revisions that alter the total revenues and expenditures of any fund must be approved by the School Board.
- Budgetary data are included in the District's management information system and are employed as a management control device during the year.
- Budgets for the General Fund are adopted substantially on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.
- Any excess expenditures were funded by available fund balance in the General Fund.

A budget is not required for the Capital Projects of Capital Reserve funds.

NOTE B - EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year-ended June 30, 2022, expenditures exceeded appropriations in the following General Fund department levels (the legal level of budgetary control):

Instructional Services	\$ 2,828,852
Instructional Support Services	\$ 2,646,334
Capital Outlay	\$ 6,858,488

The excess miscellaneous expenditures were funded by additional revenues in the General Fund.

BRISTOL TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS - RETIREES HEALTH PLAN

JUNE 30, 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Total OPEB liability					
Service cost	\$ 335,472	\$ 342,926	\$ 359,272	\$ 355,301	\$ 467,551
Interest	149,537	201,746	194,741	227,316	152,050
Changes of benefit terms	-	175,650	-	206,529	-
Differences between expected and actual experience	-	(257,219)	-	(116,944)	-
Changes of assumptions or other inputs	204,902	(211,404)	(183,097)	823,464	(231,613)
Benefit payments	<u>(258,881)</u>	<u>(255,964)</u>	<u>(113,269)</u>	<u>(156,197)</u>	<u>(234,432)</u>
Net change in total OPEB liability	431,030	(4,265)	257,647	1,339,469	153,556
Total OPEB liability - beginning	<u>5,810,255</u>	<u>6,241,285</u>	<u>6,237,020</u>	<u>6,494,667</u>	<u>7,834,136</u>
Total OPEB liability - ending	<u>\$ 6,241,285</u>	<u>\$ 6,237,020</u>	<u>\$ 6,494,667</u>	<u>\$ 7,834,136</u>	<u>\$ 7,987,692</u>
Covered payroll	\$ 43,960,230	\$ 48,962,344	\$ 48,962,344	\$ 45,371,536	\$ 45,371,536
District's total OPEB liability as a percentage of covered payroll	14.20%	12.74%	13.26%	17.27%	17.61%

Changes of Assumptions

Effective 7/1/21 - The discount rate changed from 1.86% to 2.28%
 Effective 7/1/20 - The discount rate changed from 3.36% to 1.86%
 Effective 7/1/19 - The discount rate changed from 2.98% to 3.36%
 Effective 7/1/18 - The discount rate changed from 3.13% to 2.98%
 Effective 7/1/17 - The discount rate changed from 2.49% to 3.13%

Effective 7/1/20 - The trend assumption was updated.

Effective 7/1/18 - The trend assumption was updated. The percent married at retirement was lowered from 30% to 20%.
 at retirement was decreased from 70% to 65%.

Effective 7/1/17 - The trend assumption was updated. Assumptions for salary, mortality, withdrawal and retirement were updated based on new PSERS assumptions.

Changes in Benefit Terms

Effective 7/1/20 - The teacher subsidy changed to \$100/month from \$75/month.

Effective 7/1/18 - Teachers may now received a subsidy of \$75/month to be used towards medical coverage.

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

BRISTOL TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - PSERS PLAN

JUNE 30, 2022

	Measurement Date June 30,				
	2017	2018	2019	2020	2021
District's proportion of the net OPEB liability	0.3798%	0.3877%	0.3866%	0.3757%	0.3551%
District's proportionate share of the net OPEB liability	\$ 7,738,000	\$ 8,083,000	\$ 8,222,000	\$ 8,118,000	\$ 8,416,000
District's covered payroll	\$ 52,210,741	\$ 53,280,904	\$ 53,320,992	\$ 52,739,355	\$ 50,381,353
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	15%	15%	15%	15%	17%
Plan fiduciary net position as a percentage of the total OPEB liability	6%	6%	6%	6%	5%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

BRISTOL TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS - PSERS PLAN

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Contractually determined contribution	\$ 430,000	\$ 441,000	\$ 442,000	\$ 413,000	\$ 442,000
Contributions in relation to the contractually determined contribution	<u>430,000</u>	<u>441,000</u>	<u>442,000</u>	<u>413,000</u>	<u>442,000</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 53,280,904	\$ 53,320,992	\$ 52,739,355	\$ 50,381,353	\$ 52,781,402
Contributions as a percentage of covered payroll	0.81%	0.83%	0.84%	0.82%	0.84%

In accordance with GASB Statement No. 75, this schedule has been prepared prospectively. This schedule will accumulate each year until sufficient information to present a ten-year trend is available.

BRISTOL TOWNSHIP SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Measurement Date June 30,							
	2014	2015	2016	2017	2018	2019	2020	2021
District's proportion of the net pension liability	0.4360%	0.4194%	0.4113%	0.3798%	0.3877%	0.3866%	0.3748%	0.3544%
District's proportionate share of the net pension liability	\$ 172,572,000	\$ 181,664,000	\$ 203,827,000	\$ 187,577,000	\$ 186,115,000	\$ 180,862,000	\$ 184,548,000	\$ 145,505,000
District's covered payroll	\$ 53,963,350	\$ 53,273,413	\$ 50,566,841	\$ 52,210,741	\$ 53,280,904	\$ 53,320,992	\$ 52,739,355	\$ 50,381,353
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	320%	341%	403%	359%	349%	339%	350%	289%
Plan fiduciary net position as a percentage of the total pension liability	57%	54%	50%	52%	54%	56%	54%	64%

The School District adopted GASB 68 on a prospective basis in 2015; therefore, only eight years are presented in the above schedule.

BRISTOL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Contractually required contribution	\$ 10,837,217	\$ 13,152,659	\$ 14,608,000	\$ 16,451,000	\$ 17,334,000	\$ 17,566,000	\$ 16,876,000	\$ 18,163,000
Contributions in relation to the contractually required contribution	10,837,217	13,152,659	14,608,000	16,451,000	17,334,000	17,566,000	16,876,000	18,163,000
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	53,273,413	50,566,841	52,210,741	53,280,904	53,320,992	52,739,355	50,381,353	52,781,402
Contributions as a percentage of covered - payroll	20.34%	26.01%	27.98%	30.88%	32.51%	33.31%	33.50%	34.41%

The School District adopted GASB 68 on a prospective basis in 2015; therefore, only eight years are presented in the above schedule.

BRISTOL TOWNSHIP SCHOOL DISTRICT
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	Pepsi Fund	Capital Reserve Fund	Total Nonmajor Funds
ASSETS			
Interfund receivable	\$ 498,508	\$ 1,914,124	\$ 2,412,632
TOTAL ASSETS	<u>\$ 498,508</u>	<u>\$ 1,914,124</u>	<u>\$ 2,412,632</u>
FUND BALANCES			
Assigned	\$ 498,508	\$ 1,914,124	\$ 2,412,632
TOTAL FUND BALANCES	<u>498,508</u>	<u>1,914,124</u>	<u>2,412,632</u>
TOTAL ASSETS AND FUND BALANCES	<u>\$ 498,508</u>	<u>\$ 1,914,124</u>	<u>\$ 2,412,632</u>

BRISTOL TOWNSHIP SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Pepsi Fund</u>	<u>Capital Reserve Fund</u>	<u>Total Nonmajor Funds</u>
REVENUES			
Local Sources	\$ 10,922	\$ 2,095	\$ 13,017
Net Changes in Fund Balance	10,922	2,095	13,017
Fund Balances - Beginning of Year	487,586	1,912,029	2,399,615
Fund Balances - End of Year	<u>\$ 498,508</u>	<u>\$ 1,914,124</u>	<u>\$ 2,412,632</u>