

ROSELLE PUBLIC SCHOOLS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Roselle, New Jersey

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

of the

Roselle Public Schools

Roselle, New Jersey

For The Fiscal Year Ended June 30, 2022

Prepared by

Business Office

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INTRODUCTORY SECTION

Roselle Public Schools
710 Locust Street
Roselle, New Jersey 07203
Anthony Juskiewicz
Business Administrator/Board Secretary
Phone: 908-298-2040 Ext. 2111
Fax: 908-298-8794

Dr. Nathan L. Fisher
Superintendent of Schools

Phone: 908-298-2040 Ext. 2010
Fax: 908-298-3353

February 16, 2023

Honorable President and Members of
the Roselle Borough Board of Education
710 Locust Street
Roselle, NJ 07203

Dear President and Members of the Board of Education:

The Annual Comprehensive Financial Report (ACFR) of the Roselle Borough Board of Education for the fiscal year ended June 30, 2022 is submitted by the district's Office of the Superintendent of Schools and the School Business Administrator. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education of the Borough of Roselle, specifically the Superintendent of Schools and the School Business Administrator/Board Secretary.

To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Roselle Public Schools. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included. The district's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This standard, issued in June 1999, created a revised reporting model of financial information and disclosure. There are two main basic financial statements created by this standard:

1. Statement of Net Assets and
2. Statement of Activities

These two statements tend to answer the questions: “Is the district better or worse off financially than it was in the previous year?” A comparison of net assets should help the reader in answering that question.

Also required as part of the “Required Supplementary Information” by GASB Statement No. 34 is a “Management’s Discussion and Analysis” (MD&A), which allows the district to explain in layman terms its financial position and results of operation of the past fiscal year.

REPORT FORMAT

The Annual Comprehensive Financial Report is presented in four sections: Introductory, Financial, Statistical and Single Audit. The purpose of each section of the ACFR is as follows:

- **Introductory Section**—This section includes this transmittal letter, the district’s organization chart and a list of principal officials. This section is intended to familiarize the reader with the organizational structure of the school district, the nature and scope of the services it provides, and the specifics of its legal operating environment. It is primarily designed for the taxpayer.
- **Financial Section**—This includes the independent auditor’s report, the Management’s Discussion and Analysis (MD&A), basic financial statements, supplemental information and the combining and individual fund schedules. It is primarily designed for oversight and legislative bodies.

Generally accepted accounting principles (GAAP) requires that the management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A of the Roselle Public Schools can be found immediately following the report of the independent auditors.

- **Statistical Section**—Contains substantial financial information but presents tables that differ from financial statements in that they present non-accounting data, cover several years, and are designed to reflect social and economic data and financial and fiscal trends, as well as the fiscal capacity of the district. Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant years.
 - **Financial Trends J-1 to J-5**
These schedules contain trend information to help the reader understand how the Roselle Public Schools’ financial performance and well-being have changed over time.

- **Revenue Capacity J-6 to J-9**
These schedules contain information to help the reader assess the Roselle Public Schools' most significant local revenue source, the property tax.
- **Debt Capacity J-10 to J-13**
These schedules present information to help the reader assess the Roselle Public Schools' current levels of outstanding debt and the government's ability to issue additional debt in the future.
- **Demographic and Economic Information J-14 and J-15**
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Roselle Public Schools' financial activities take place.
- **Operating Information J-16 to J-20**
These schedules contain service and infrastructure data to help the reader understand how the information in the Roselle Public Schools' financial report relates to the services the government provides and the activities it performs.
- **Single Audit Section**—The district is required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act and applicable US Uniform Guidance; and the applicable State of New Jersey OMB Circulars.

Information related to this single audit, including the auditors' report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations, is included in the Single Audit Section of this report.

This section includes independent auditors' reports on compliance and internal control, schedules of expenditures for federal and state grants, notes to the schedules of expenditures of federal and state grants, schedule of findings and questioned costs, and a summary schedule of prior audit findings.

REPORTING ENTITY AND ITS SERVICES

The Roselle Borough School District is an independent reporting entity within the criteria adopted by the GASB. All funds and account groups of the District are included in this report. The Roselle Borough Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade level K through 12. These include regular as well as special education for handicapped youngsters beginning with Pre-K.

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

<u>Fiscal Year</u>	<u>Actual Student Enrollment</u>	<u>% of Change</u>
2021/2022	2,885	.004
2020/2021	2,872	(.002)
2019/2020	2,877	(.007)
2018/2019	2,897	1.01
2017/2018	2,870	1.04
2016/2017	2,764	1.02
2015/2016	2,731	1.56
2014/2015	2,689	(2.21)
2013/2014	2,750	2.58
2012/2013	2,679	(2.29)

ORGANIZATION OF THE BOARD

The Roselle Board of Education has nine (9) members that are elected for three (3) year overlapping terms. The members of the Board are residents of the City of Roselle and vote on all matters before the Board of Education. The Board of Education is annually organized.

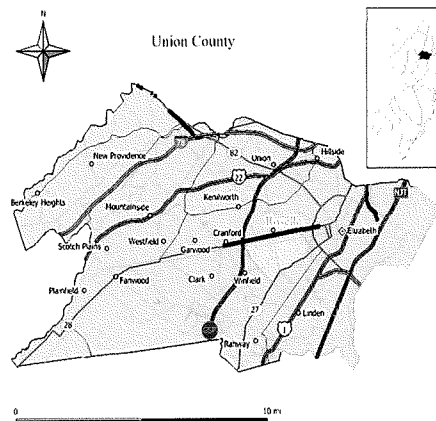
All Board of Education meetings are public. The Board holds regularly scheduled public meetings twice a month.

The Board of Education provides a full range of free public educational services appropriate to grade levels prekindergarten through grade 12 for residents of the Borough of Roselle. These educational services include regular and special education to address the educational needs of children with disabilities and handicaps.

BOROUGH OF ROSELLE

The Borough of Roselle is located in Union County, New Jersey. Its 2.65 square miles of land area contain a mix of light industry, stores and businesses as well as residential land uses.

According to the U.S. Census Bureau the 2017 population of the Borough of Roselle was estimated at 21,551 with a diverse racial and ethnic demographic. There are many churches of a variety of faiths.



INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse. District management is also responsible to ensure that the adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived; and
- (2) The valuation costs and benefits require estimates and judgments by management.

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

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The object of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2022.

The New Jersey Department of Education has prescribed forms and formats for the presentation of the annual school budget. The Board of Education adheres to Department of Education requirements for budget development, presentation and adoption.

ACCOUNTING SYSTEM AND REPORTS

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

CASH MANAGEMENT

The investment policy of the District is guided in large part by state statute as detailed in “Notes to the Financial Statements”, Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

RISK MANAGEMENT

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

OTHER INFORMATION

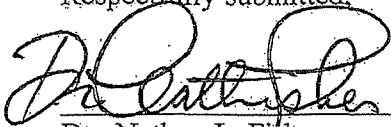
The state statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci & Bliss, LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of single audit in conformity with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey OMB Circular 15-08 “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.”.

The auditor’s report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the Single Audit Section of this report.

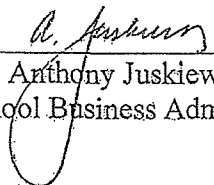
ACKNOWLEDGEMENTS

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

Respectfully submitted,



Dr. Nathan L. Fisher
Superintendent of Schools



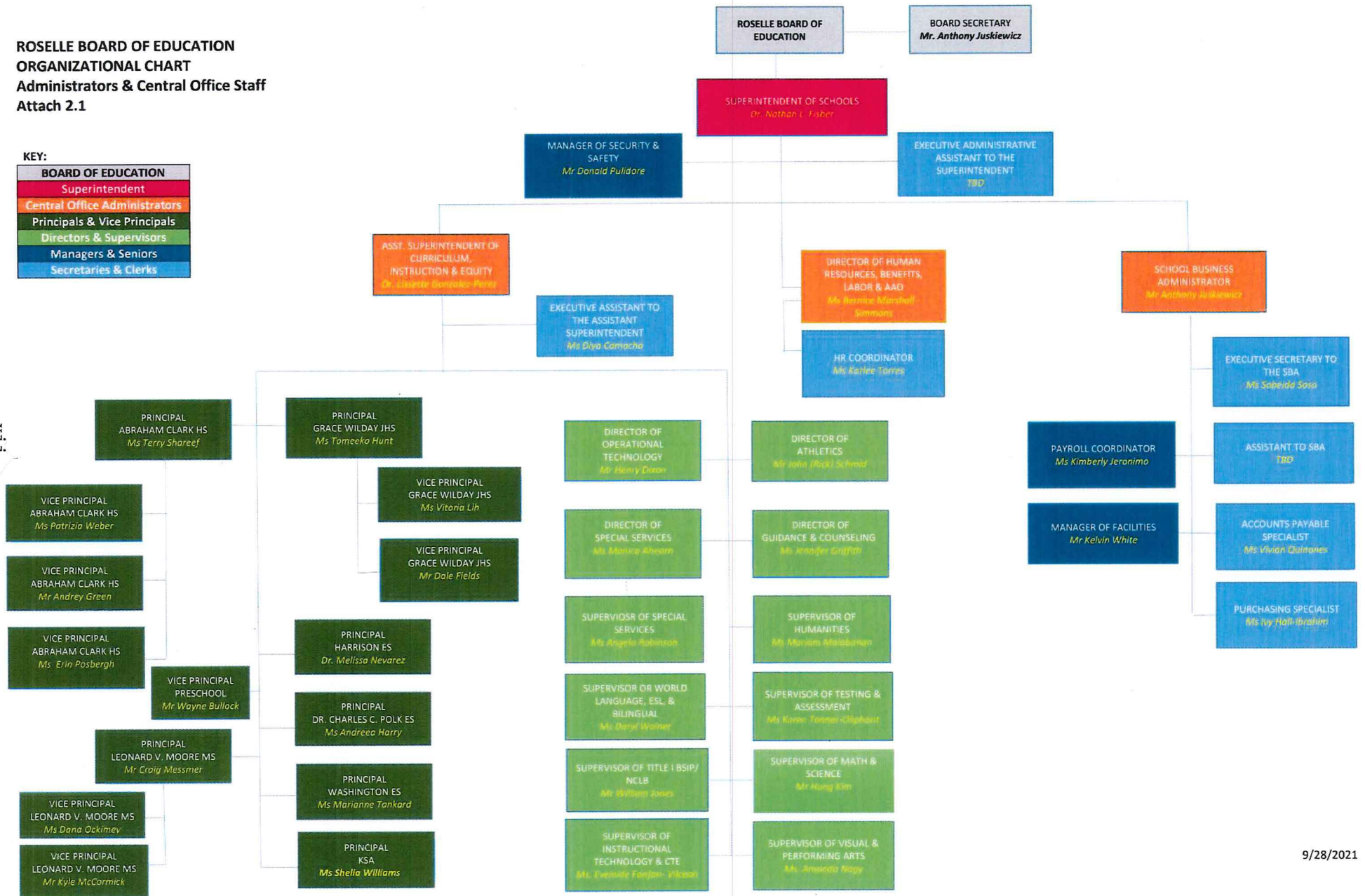
Mr. Anthony Juskiewicz
School Business Administrator

**ROSELLE BOARD OF EDUCATION
ORGANIZATIONAL CHART
Administrators & Central Office Staff
Attach 2.1**

KEY:

BOARD OF EDUCATION
Superintendent
Central Office Administrators
Principals & Vice Principals
Directors & Supervisors
Managers & Seniors
Secretaries & Clerks

T.T.A



**Borough of Roselle School District
Union County, New Jersey**

Roster of Officials

June 30, 2022

Members of the Board of Education

Term Expires

Dr. Courtney Washington, President	2022
Angela Alvey-Wimbush, Vice-President	2022
Dr. Cynthia Atkins	2023
Gisselle Bond	2024
Yessica Chavez	2024
France Cortez	2024
Rupert Pond	2022
Jennifer Salters	2023
Ieesha Turnage	2023

Other Officials

Dr. Nathan L. Fisher, Superintendent of Schools
Dr. Lisette Gonzalez-Perez, Assistant Superintendent for Curriculum and Instruction
Anthony Juskiewicz, School Business Administrator
Brian McCarthy, Treasurer of School Monies

**Borough of Roselle School District
Union County, New Jersey**

Consultants and Advisors

Independent Auditors

Lerch, Vinci & Bliss, LLP
17-17 Route 208N
Fair Lawn, NJ 07410
201-791-7100

Attorneys

Souder, Shabazz & Woolridge Law Group, LLP
570 Broad Street, Suite 1500
Newark, New Jersey 07102
(973) 500-2030

Busch Law Group, LLC
450 Main St
Metuchen, NJ 08840

Weiner Lesniak, LLP
629 Parsippany Road
Parsippany, NJ 07054

Official Depositories

TD Bank

FINANCIAL SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
JULIUS B. CONSONI, CPA, PSA
ANDREW D. PARENTE, CPA, RMA, PSA

ELIZABETH A. SHICK, CPA, RMA, PSA
ROBERT W. HAAG, CPA, RMA, PSA
DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Roselle Public Schools
Roselle, New Jersey

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Public Schools, as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Public Schools as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from 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 generally accepted auditing standards, Government Auditing Standards and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of 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 Roselle Public Schools' 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 Roselle Public Schools' ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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

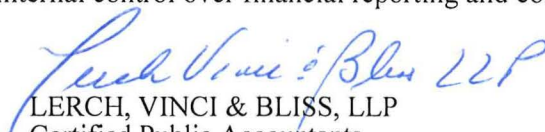
Other Information

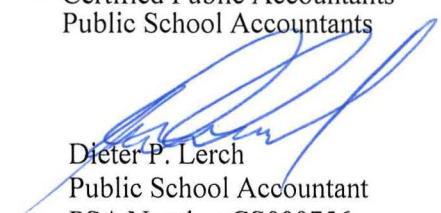
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated February 16, 2023 on our consideration of the Roselle Public Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Roselle Public Schools' 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 Roselle Public Schools' internal control over financial reporting and compliance.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS000756

Fair Lawn, New Jersey
February 16, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

This section of the Roselle Public Schools' annual comprehensive financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2021-2022) and the prior year (2020-2021) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2021-2022 fiscal year include the following:

- The assets and deferred outflows of resources of the Roselle Public Schools exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$16,345,303 (net position).
- Overall revenues were \$78,444,757. General revenues accounted for \$54,309,328, or 69% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$24,135,429, or 31% of total revenues.
- The school district had \$74,256,048 in expenses for governmental activities; only \$20,902,965 of these expenses was offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$54,308,823 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$11,385,067.
- The General Fund fund balance at June 30, 2022 was \$8,630,490 a decrease of \$666,784 when compared with the beginning balance at July 1, 2021 of \$9,297,274.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

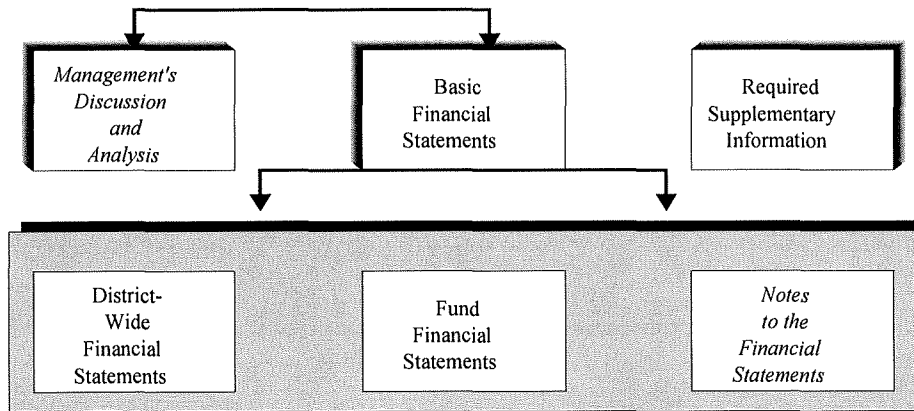
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are district wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
 - The Governmental funds statements tell how basic services were financed in the short term as well as what remains for future spending.
 - Proprietary funds statements offer short-term and long-term financial information about the activities the district operated like businesses.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The chart below shows how the various parts of this annual report are arranged and related to one another.



**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

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

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education and building maintenance, food service and community education.	Activities the district operates similar to private businesses: Enterprise funds
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund Net Position Statement of Cash Flows
Accounting Basis and Measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
Type of asset/liability/Deferred inflows/outflows of resources information	All asset, liabilities, and deferred inflows/outflows, both financial and capital short-term and long-term	Generally assets expected to be utilized and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All asset, liabilities, and deferred inflows/outflows, both financial and capital short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.

District-Wide Financial Statements

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

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

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

District-Wide Financial Statements (continued)

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

In the district-wide financial statements the District's activities are shown in two categories:

- *Governmental Activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business Type Activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund, Community School Fund and Student Laptop Insurance Fund are included under this category.

Fund Financial Statements

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

- Some funds are required by State law and bond covenants.
- The District establishes other funds in accordance with the State of New Jersey Uniform Chart of Accounts to control and manage money for particular purposes or to show that it is properly using certain revenues (federal and state grants).

The District has two kinds of funds:

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

- *Proprietary Funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the district-wide statements.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Fund Financial Statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has three enterprise funds:

- Food Service (Cafeteria)
- Community School
- Student Laptop Insurance

Notes to the Financial Statements

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

Other Information

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for the general and special revenue funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$16,345,303 and \$15,183,985, as restated, as of June 30, 2022 and June 30, 2021, respectively. Net position increased by \$1,161,318 during fiscal year 2021-22 and by \$3,773,733 during fiscal year 2020-21.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position
As of June 30, 2022 and 2021**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)
Current Assets	\$ 18,861,077	\$ 14,523,658	\$ 1,002,762	\$ 1,794,692	\$ 19,863,839	\$ 16,318,350
Capital Assets, Net	18,102,767	15,307,661	68,950	83,922	18,171,717	15,391,583
Total Assets	<u>36,963,844</u>	<u>29,831,319</u>	<u>1,071,712</u>	<u>1,878,614</u>	<u>38,035,556</u>	<u>31,709,933</u>
Deferred Amounts on Refunding of Debt	-	-	-	-	-	-
Deferred Amounts on Net Pension Liability	1,953,430	2,226,215	-	-	1,953,430	2,226,215
Total Deferred Outflows of Resources	<u>1,953,430</u>	<u>2,226,215</u>	<u>-</u>	<u>-</u>	<u>1,953,430</u>	<u>2,226,215</u>
Total Assets and Deferred Outflows of Resources	<u>38,917,274</u>	<u>32,057,534</u>	<u>1,071,712</u>	<u>1,878,614</u>	<u>39,988,986</u>	<u>33,936,148</u>
Long-Term Liabilities	10,668,037	11,906,031	-	-	10,668,037	11,906,031
Other Liabilities	7,491,940	1,059,748	8,335	1,040,939	7,500,275	2,100,687
Total Liabilities	<u>18,159,977</u>	<u>12,965,779</u>	<u>8,335</u>	<u>1,040,939</u>	<u>18,168,312</u>	<u>14,006,718</u>
Deferred Commodities Revenue			20,124		20,124	
Deferred Amounts on Net Pension Liability	5,455,247	4,745,445	-	-	5,455,247	4,745,445
Total Deferred Inflows of Resources	<u>5,455,247</u>	<u>4,745,445</u>	<u>20,124</u>	<u>-</u>	<u>5,475,371</u>	<u>4,745,445</u>
Total Liabilities and Deferred Inflows of Resources	<u>23,615,224</u>	<u>17,711,224</u>	<u>28,459</u>	<u>1,040,939</u>	<u>23,643,683</u>	<u>18,752,163</u>
Net Investment in Capital Assets	15,654,521	16,912,102	68,950	143,288	15,723,471	17,055,390
Restricted	6,738,141	10,037,924			6,738,141	10,037,924
Unrestricted	(7,090,612)	(12,603,716)	974,303	694,387	(6,116,309)	(11,909,329)
Total Net Position	<u>\$ 15,302,050</u>	<u>\$ 14,346,310</u>	<u>\$ 1,043,253</u>	<u>\$ 837,675</u>	<u>\$ 16,345,303</u>	<u>\$ 15,183,985</u>

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

**Changes in Net Position
For The Fiscal Years Ended June 30, 2022 and 2021**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program Revenues						
Charges for Services	\$ 244,395		\$ 122,889	\$ 6,115	\$ 367,284	\$ 6,115
Operating Grants and Contributions	20,090,407	\$ 22,110,134	3,109,575	1,697,082	23,199,982	23,807,216
Capital Grants and Contributions	568,163				568,163	
General Revenues						
Property Taxes	25,265,871	25,122,799			25,265,871	25,122,799
State Aid	28,814,129	29,100,277			28,814,129	29,100,277
Other	228,823	258,831	505	-	229,328	258,831
Total Revenues	75,211,788	76,592,041	3,232,969	1,703,197	78,444,757	78,295,238
Expenses						
Instruction						
Regular	29,237,959	29,003,650			29,237,959	29,003,650
Special Education	8,409,768	15,720,142			8,409,768	15,720,142
Other Instruction	5,843,974	1,149,974			5,843,974	1,149,974
School Sponsored Activities and Athletics	760,022				760,022	
Support Services						
Student and Instruction Related Services	11,408,015	13,277,157			11,408,015	13,277,157
General Administrative Services	1,475,416	1,603,483			1,475,416	1,603,483
School Administrative Services	4,671,378	4,119,891			4,671,378	4,119,891
Central Services	633,571	925,927			633,571	
Plant Operations and Maintenance	9,352,907	5,997,316			9,352,907	5,997,316
Pupil Transportation	2,405,290	1,666,934			2,405,290	1,666,934
Interest on Long-Term Debt	57,748				57,748	
Food Service			3,027,391	1,057,024	3,027,391	1,057,024
Other-Community School	-	-	-	7	-	7
Total Expenses	74,256,048	73,464,474	3,027,391	1,057,031	77,283,439	73,595,578
Change in Net Position	\$ 955,740	\$ 3,127,567	\$ 205,578	\$ 646,166	\$ 1,161,318	\$ 3,773,733

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$75,211,788 and \$76,592,041 for the fiscal years ended June 30, 2022 and June 30, 2021, respectively. Property taxes of \$25,265,871 and \$25,122,799 represented 34% and 33% of revenues. Another portion of revenues came from State and Federal aid; total State, Federal and formula aid was \$48,904,536 and \$51,210,411 which was represented 65% and 67% of the revenues for fiscal years ended June 30, 2022 and 2021, respectively. The significant decrease in this revenue type is attributable to the adjustment to the On-Behalf pension contribution to recognize the actuarially determined contribution that should have been contributed on behalf of the District in accordance with GASB Statement No. 68 for the fiscal year ended June 30, 2022.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

The total cost of all governmental activities programs and services was \$74,256,048 and \$73,464,474 for the fiscal years ended June 30, 2022 and 2021, respectively. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$44,251,723 and \$45,873,766 (60% and 62%) of total expenses for each of the fiscal years, respectively. Student and Instruction Related Services totaled \$11,408,015 and \$13,277,157 or (15% and 18%) of total expenses. Plant operations and maintenance services totaled \$9,352,907 and \$5,997,316 (13% and 8%) of total expenses. Administrative services were \$6,780,365 and \$6,649,301 or (9% and 9%) of total expenses. Pupil transportation totaled \$2,405,290 and \$1,666,934 (3% and 2%), respectively of total expenses. Interest on long-term debt accounted for \$57,748 and \$-0- (less than 1% and 0%) of total expenses.

Total governmental activities revenues exceeded expenses resulting in net position increasing \$955,740 over the previous year.

Total and Net Cost of Governmental Activities. The District's total cost of services was \$74,256,048 and \$73,464,474 for the fiscal years ended June 30, 2022 and 2021. After applying program revenues, derived from charges for services of \$244,395 and \$-0-, operating grants and contributions of \$20,090,407 and \$22,110,134 and capital contributions of \$568,163 and \$-0-, the net cost of services of the District is \$53,353,083 and \$51,354,340, respectively

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2022 and 2021**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Instruction				
Regular	\$ 29,237,959	\$ 29,003,650	\$ 21,133,345	\$ 20,701,881
Special Education	8,409,768	15,720,142	3,917,753	9,154,569
Other Instruction	5,843,974	1,149,974	4,148,896	774,790
School Sponsored Activities and Athletics	760,022		517,990	
Support Services				
Student and Instruction Related Services	11,408,015	13,277,157	8,882,284	8,717,490
General Administrative Services	1,475,416	1,603,483	1,268,567	1,332,120
School Administrative Services	4,671,378	4,119,891	3,634,328	2,773,968
Central Services	633,571	925,927	557,713	693,738
Plant Operations and Maintenance	9,352,907	5,997,316	6,996,202	5,622,485
Pupil Transportation	2,405,290	1,666,934	2,238,257	1,583,299
Interest on Long-Term Debt	<u>57,748</u>	<u>-</u>	<u>57,748</u>	<u>-</u>
Total	<u>\$ 74,256,048</u>	<u>\$ 73,464,474</u>	<u>\$ 53,353,083</u>	<u>\$ 51,354,340</u>

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Business-Type Activities – The District's total business-type activities revenues were \$3,232,969 and \$1,703,197 for the fiscal years ended June 30, 2022 and 2021, respectively. Charges for services accounted for 4% and less than 1% of total revenues for the fiscal years, respectively. Operating grants and contributions of \$3,109,575 and \$1,697,082 accounted for 96% and over 99% of total revenue for each of the fiscal years. The balance of the revenues represents investment earnings.

The total cost of all business-type activities programs and services was \$3,027,391 and \$1,057,031 for the fiscal years ended June 30, 2022 and 2021. The District's expenses are related to Food Service programs provided to all students, teachers and administrators and the operation of the Community School and Student Laptop Insurance programs within the District.

The significant increase in both revenues and expenses of business-type activities are primarily the result of the return to pre-pandemic levels of service in both the food service and summer enrichment programs.

Total business-type activities revenues exceeded expenses increasing net position by \$205,578 over the last year.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the 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 District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year ended June 30, 2022, its governmental funds reported a combined fund balance of \$11,385,067. At June 30, 2021, the fund balance was \$12,301,651.

Revenues and other financing sources for the District's governmental funds were \$79,032,931 while total expenditures and other financing uses were \$79,949,515, thereby decreasing fund balance by \$916,584 for the fiscal year ended June 30, 2022.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from pre-kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 25,265,871	\$ 25,122,799	\$ 143,072	1%
State/Federal Sources	44,282,463	38,134,969	6,147,494	16%
Miscellaneous	<u>310,200</u>	<u>258,831</u>	<u>51,369</u>	20%
 Total General Fund Revenues	 <u>\$ 69,858,534</u>	 <u>\$ 63,516,599</u>	 <u>\$ 6,341,935</u>	 10%

Total General Fund Revenues increased by \$6,341,935, or 10% over the previous year.

Local property taxes increased \$143,072, or 1% over the previous year. State and federal aid revenues increased \$6,147,494, or 16%, predominantly attributable to an increase in state On-Behalf TPAF pension costs contributed by the state.

The following schedule presents a summary of General Fund expenditures.

	Fiscal Year Ended <u>June 30, 2022</u>	Fiscal Year Ended <u>June 30, 2021</u>	Amount of Increase (Decrease)	Percent Change
Instruction	\$ 42,410,576	\$ 42,096,122	\$ 314,454	1%
Support and Undistributed Services	26,716,949	18,335,397	8,381,552	46%
Capital Outlay	3,963,118	521,348	3,441,770	660%
Debt Service	<u>506,184</u>	<u>-</u>	<u>506,184</u>	100%
 Total Expenditures	 <u>\$ 73,596,827</u>	 <u>\$ 60,952,867</u>	 <u>\$ 12,643,960</u>	 21%

Total General Fund expenditures increased \$12,643,960 or 21%, over the previous year. This significant increase is primarily attributable to acquisitions under leases and capital financing agreements during 2021-22.

The District realized increases in instruction costs as well as support and undistributed services costs.

In 2021-2022, General Fund expenditures and other financing uses exceeded revenues and other financing sources by \$666,784. As a result, total fund balance decreased to \$8,630,490 at June 30, 2022. After deducting transfers and reserves, the unrestricted, unassigned fund balance is in a deficit position of 1,237,402 at June 30, 2022. This is the result of a delay in June 2022 state aid payments not being received from the State of New Jersey until subsequent to year end.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Revenues of the Special Revenue Fund were \$6,102,888 for the year ended June 30, 2022. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 77% of the total revenue for the year.

Expenditures of the Special Revenue Fund were \$6,156,346. Instructional expenditures were \$3,648,903, or 59% of total expenditures.

Capital Projects – The activity during the 2021/22 school year in the Capital Projects Fund related to the continuing expenditure of funds related to capital projects approved in prior years.

Proprietary Funds

The District maintains the Enterprise Funds to account for activities which are supported in part through user fees.

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services program as well as the Community School and Student Laptop Insurance programs. The District's Enterprise Funds provides the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. These budget amendments fall into two categories

- Implementing budgets for specially funded projects, which include both federal and state grants/additional state aid and reinstating prior year purchase orders being carried over.
- Additional fund balance was utilized during the year to assist in the funding of payments to the Borough of Roselle for a capital project undertaken by the Borough.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business-type activities as of June 30, 2022 amounts to \$18,171,717 net of accumulated depreciation). The capital assets consist of site improvements, buildings and building improvements, right-to-use leased buildings, construction in progress, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2021-2022 amounted to \$1,932,517 for governmental activities and \$14,972 for business-type activities.

**ROSELLE PUBLIC SCHOOLS
ROSELLE, NEW JERSEY**

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022**

Capital Assets at June 30, 2022 and 2021
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)
Construction in Progress	\$ 962,169				\$ 962,169	
Site Improvements	136,433	\$ 73,455			136,433	\$ 73,455
Building and Building Improvements	14,586,954	13,916,666			14,586,954	13,916,666
Right-to-Use Leased Buildings	770,979	-			770,979	-
Machinery and Equipment	<u>1,646,232</u>	<u>1,317,540</u>	<u>\$ 68,950</u>	<u>\$ 83,922</u>	<u>1,715,182</u>	<u>1,401,462</u>
Total Capital Assets, Net	<u>\$ 18,102,767</u>	<u>\$ 15,307,661</u>	<u>\$ 68,950</u>	<u>\$ 83,922</u>	<u>\$ 18,171,717</u>	<u>\$ 15,391,583</u>

Additional information on the District's capital assets is presented in the "Notes to the Financial Statements" of this report.

LONG TERM LIABILITIES

At year end, the District's long-term liabilities of the governmental activities consisted of compensated absences payable of \$395,404, leases payable of \$790,360, capital financing agreements of \$1,657,886 and net pension liability of \$7,824,387.

Additional information on the District's long-term liabilities is presented in the "Notes to the Financial Statements" of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2022-2023 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing special education costs, out of district tuition, tuition for charter schools, energy and employee related benefit costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Roselle Public Schools, 710 Locust St., Roselle, NJ 07203.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ROSELLE PUBLIC SCHOOLS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 6,622,363	\$ 1,721,233	\$ 8,343,596
Receivables, net	11,101,810	238,963	11,340,773
Internal Balances	1,017,967	(1,017,967)	
Inventory		60,533	60,533
Restricted Assets			
Cash with Fiscal Agents	118,937		118,937
Capital Assets Not Being Depreciated	962,169		962,169
Capital Assets, Net of Accumulated Depreciation	<u>17,140,598</u>	<u>68,950</u>	<u>17,209,548</u>
 Total Assets	 <u>36,963,844</u>	 <u>1,071,712</u>	 <u>38,035,556</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	<u>1,953,430</u>	<u>-</u>	<u>1,953,430</u>
 Total Deferred Outflows of Resources	 <u>1,953,430</u>	 <u>-</u>	 <u>1,953,430</u>
 Total Assets and Deferred Outflows of Resources	 <u>38,917,274</u>	 <u>1,071,712</u>	 <u>39,988,986</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,140,030		1,140,030
Payable to Other Governments	136,656		136,656
Unearned Revenue	6,199,324	8,335	6,207,659
Accrued Interest Payable	15,930		15,930
Noncurrent Liabilities:			
Due Within One Year	763,319		763,319
Due Beyond One Year	<u>9,904,718</u>	<u>-</u>	<u>9,904,718</u>
 Total Liabilities	 <u>18,159,977</u>	 <u>8,335</u>	 <u>18,168,312</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	5,455,247		5,455,247
Deferred Commodities Revenue	<u>-</u>	<u>20,124</u>	<u>20,124</u>
 Total Deferred Inflow of Resources	 <u>5,455,247</u>	 <u>20,124</u>	 <u>5,475,371</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>23,615,224</u>	 <u>28,459</u>	 <u>23,643,683</u>
NET POSITION			
Net Investment in Capital Assets	15,654,521	68,950	15,723,471
Restricted for			
Capital Projects	5,826,047		5,826,047
Other Purposes	912,094		912,094
Unrestricted (Deficit)	<u>(7,090,612)</u>	<u>974,303</u>	<u>(6,116,309)</u>
 Total Net Positions	 <u>\$ 15,302,050</u>	 <u>\$ 1,043,253</u>	 <u>\$ 16,345,303</u>

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

**ROSELLE PUBLIC SCHOOLS
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Net (Expense) Revenue and
Changes in Net Position**

Functions/Programs:	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Instruction							
Regular	\$ 29,237,959		\$ 8,104,614		\$ (21,133,345)		\$ (21,133,345)
Special Education	8,409,768	\$ 81,377	4,410,638		(3,917,753)		(3,917,753)
Other Instruction	5,843,974		1,695,078		(4,148,896)		(4,148,896)
School Sponsored Activities	760,022	163,018	79,014		(517,990)		(517,990)
Support Services							
Student and Instruction Related Services	11,408,015		2,525,731		(8,882,284)		(8,882,284)
General Administration	1,475,416		206,849		(1,268,567)		(1,268,567)
School Administration	4,671,378		1,037,050		(3,634,328)		(3,634,328)
Central Services	633,571		75,858		(557,713)		(557,713)
Plant Operations and Maintenance	9,352,907		1,788,542	\$ 568,163	(6,996,202)		(6,996,202)
Pupil Transportation	2,405,290		167,033		(2,238,257)		(2,238,257)
Interest on Long-Term Debt	57,748	-	-	-	(57,748)	-	(57,748)
Total Governmental Activities	74,256,048	244,395	20,090,407	568,163	(53,353,083)	-	(53,353,083)
Business-Type Activities							
Food Service	3,027,391	105,629	3,109,575	-	-	\$ 187,813	187,813
Other	-	17,260	-	-	-	17,260	17,260
Total business-type activities	3,027,391	122,889	3,109,575	-	-	205,073	205,073
Total Primary Government	\$ 77,283,439	\$ 367,284	\$ 23,199,982	\$ 568,163	(53,353,083)	205,073	(53,148,010)
General Revenues:							
Property Taxes Levied for:							
General Purposes					25,265,871		25,265,871
State Aid - Unrestricted					28,814,129		28,814,129
Interest on Deposits					20,805	505	21,310
Miscellaneous Income					208,018	-	208,018
Total General Revenues					54,308,823	505	54,309,328
Change in Net Position					955,740	205,578	1,161,318
Net Position, Beginning of Year (Restated)					14,346,310	837,675	15,183,985
Net Position, End of Year					\$ 15,302,050	\$ 1,043,253	\$ 16,345,303

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

FUND FINANCIAL STATEMENTS

**ROSELLE PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS JUNE 30, 2022**

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 6,235,141	\$ 387,222		\$ 6,622,363
Intergovernmental Receivables				
State	76,751	162,639	\$ 6,517,225	6,756,615
Federal	43,567	4,301,628		4,345,195
Due from Other Funds	3,249,990			3,249,990
Restricted Assets				
Cash with Fiscal Agents	<u>118,937</u>	<u>-</u>	<u>-</u>	<u>118,937</u>
 Total Assets	<u>\$ 9,724,386</u>	<u>\$ 4,851,489</u>	<u>\$ 6,517,225</u>	<u>\$ 21,093,100</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 1,015,246	\$ 71,400		1,086,646
Payable to Other Governments		136,656		136,656
Due to Other Funds		1,628,337	\$ 603,686	2,232,023
Payroll Deductions and Withholdings Payable	53,384			53,384
Unearned Revenue	<u>25,266</u>	<u>2,585,580</u>	<u>3,588,478</u>	<u>6,199,324</u>
 Total Liabilities	<u>1,093,896</u>	<u>4,421,973</u>	<u>4,192,164</u>	<u>9,708,033</u>
Fund Balances				
Restricted				
Capital Reserve	3,500,986			3,500,986
Maintenance Reserve	300,000			300,000
Emergency Reserve	100,000			100,000
Capital Financing Agreement Obligations	118,937			118,937
Excess Surplus	1,417,100			1,417,100
Excess Surplus, Designated for Subsequent Year's Expenditures	1,848,098			1,848,098
Capital Projects Fund			2,325,061	2,325,061
Student Activities		63,857		63,857
Scholarships		429,300		429,300
Committed				
Year-End Encumbrances	233,546			233,546
Assigned				
Year-End Encumbrances	2,097,323			2,097,323
Designated for Subsequent Year's Expenditures	251,902			251,902
Unassigned (Deficit)				
General Fund	(1,237,402)			(1,237,402)
Special Revenue Fund	<u>-</u>	<u>(63,641)</u>	<u>-</u>	<u>(63,641)</u>
 Total Fund Balances	<u>8,630,490</u>	<u>429,516</u>	<u>2,325,061</u>	<u>11,385,067</u>
 Total Liabilities and Fund Balances	<u>\$ 9,724,386</u>	<u>\$ 4,851,489</u>	<u>\$ 6,517,225</u>	<u>\$ 21,093,100</u>

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

**ROSELLE PUBLIC SCHOOLS
BALANCE SHEET
GOVERNMENTAL FUNDS
AS JUNE 30, 2022**

Total Fund Balances (Exhibit B-1) \$ 11,385,067

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$35,459,074 and the accumulated depreciation is \$17,356,307. 18,102,767

Long-term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.

Net Pension Liability	\$ (7,824,387)	
Leases Payable	(790,360)	
Capital Financing Agreement Payable	(1,657,886)	
Compensated Absences Payable	<u>(395,404)</u>	
		<u>(10,668,037)</u>

Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.

Deferred Outflows of Resources	1,953,430	
Deferred Inflows of Resources	<u>(5,455,247)</u>	
		(3,501,817)

The District has financed capital assets through the issuance of capital financing agreements. The accrued interest at year end is: (15,930)

Net Position of Governmental Activities **\$ 15,302,050**

ROSELLE PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources				
Property Tax Levy	\$ 25,265,871			\$ 25,265,871
Tuition	81,377			81,377
Miscellaneous	228,823	\$ 220,122	-	448,945
Total - Local Sources	25,576,071	220,122	-	25,796,193
State Sources	44,103,949	1,173,014		45,276,963
Federal Sources	178,514	4,709,752	-	4,888,266
Total Revenues	69,858,534	6,102,888	-	75,961,422
EXPENDITURES				
Current				
Instruction				
Regular Instruction	28,120,247	2,370,364		30,490,611
Special Education Instruction	8,099,233	609,133		8,708,366
Other Instruction	5,617,200	483,041		6,100,241
School Sponsored Co-Curricular Activities	573,896	186,365		760,261
Support Services				
Student and Instruction Related Services	10,047,989	1,455,557		11,503,546
General Administration Services	1,626,562			1,626,562
School Administration Services	4,769,279			4,769,279
Central Services	626,793	6,593		633,386
Plant Operations and Maintenance	7,242,216	177,692		7,419,908
Transportation	2,404,110	1,300		2,405,410
Debt Service				
Principal	464,366	298,138		762,504
Interest	41,818			41,818
Capital Outlay	3,963,118	568,163	\$ 196,342	4,727,623
Total Expenditures	73,596,827	6,156,346	196,342	79,949,515
Excess (Deficiency) of Revenues Over (Under) Expenditure	(3,738,293)	(53,458)	(196,342)	(3,988,093)
OTHER FINANCING SOURCES (USES)				
Lease Proceeds	1,135,750			1,135,750
Capital Financing Agreement Proceeds	1,935,759	-	-	1,935,759
Total Other Financing Sources and Uses	3,071,509	-	-	3,071,509
Net Change in Fund Balances	(666,784)	(53,458)	(196,342)	(916,584)
Fund Balance, Beginning of Year	9,297,274	482,974	2,521,403	12,301,651
Fund Balance, End of Year	\$ 8,630,490	\$ 429,516	\$ 2,325,061	\$ 11,385,067

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

**ROSELLE PUBLIC SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ (916,584)

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Capital Outlays	\$ 4,727,623	
Depreciation Expense	<u>(1,932,517)</u>	
		2,795,106

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Debt Issed		
Leases	(1,135,750)	
Capital Financing Agreement	(1,935,759)	
Repayment of Debt Principal		
Leases Payable	345,390	
Capital Financing Agreement	<u>417,114</u>	
		(2,309,005)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. However, in the statement of activities interest expense is recognized as the interest is accrued, regardless of when it is due.

Increase in Accrued Interest		(15,930)
------------------------------	--	----------

In the statement of activities, certain expenses - compensated absences and pension expense - are measured by the amounts earned or incurred during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).

Decrease in Pension Expense	1,423,635	
Increase in Compensated Absences	<u>(21,482)</u>	
		<u>1,402,153</u>

Change in Net Position of Governmental Activities (Exhibit A-2) \$ 955,740

**ROSELLE PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2022**

Business-Type Activities - Enterprise Fund

	<u>Food Service</u>	<u>Other Non- Major</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,700,669	\$ 20,564	\$ 1,721,233
Accounts Receivable			
Intergovernmental	238,963		238,963
Inventory	<u>60,533</u>	<u>-</u>	<u>60,533</u>
Total Current Assets	<u>2,000,165</u>	<u>20,564</u>	<u>2,020,729</u>
Capital Assets			
Furniture, Machinery and Equipment	242,226		242,226
Less: Accumulated Depreciation	<u>(173,276)</u>	<u>-</u>	<u>(173,276)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>68,950</u>	<u>-</u>	<u>68,950</u>
Total Assets	<u>2,069,115</u>	<u>20,564</u>	<u>2,089,679</u>
LIABILITIES			
Current Liabilities			
Due to Other Funds	1,017,967		1,017,967
Unearned Revenue	<u>8,335</u>	<u>-</u>	<u>8,335</u>
Total Current Liabilities	<u>1,026,302</u>	<u>-</u>	<u>1,026,302</u>
Total Liabilities	<u>1,026,302</u>	<u>-</u>	<u>1,026,302</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue	<u>20,124</u>	<u>-</u>	<u>20,124</u>
Total Deferred Inflows of Resources	<u>20,124</u>	<u>-</u>	<u>20,124</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,046,426</u>	<u>-</u>	<u>1,046,426</u>
NET POSITION			
Net Investment in Capital Assets	68,950		68,950
Unrestricted	<u>953,739</u>	<u>20,564</u>	<u>974,303</u>
Total Net Position	<u>\$ 1,022,689</u>	<u>\$ 20,564</u>	<u>\$ 1,043,253</u>

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

**ROSELLE PUBLIC SCHOOLS
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Other Non- Major</u>	<u>Total</u>
OPERATING REVENUES			
Charges for Services			
Non-Program Revenue	\$ 109		\$ 109
Miscellaneous Revenue	<u>105,520</u>	<u>\$ 17,260</u>	<u>122,780</u>
Total Operating Revenues	<u>105,629</u>	<u>17,260</u>	<u>122,889</u>
OPERATING EXPENSES			
Cost of Sales			
Reimbursable Programs	1,220,064		1,220,064
Non-Reimbursable Programs	27,792		27,792
Salaries and Wages	1,128,528		1,128,528
Other Purchased Technical Services	17,394		17,394
Other Purchased Services	129,545		129,545
Management Fee	96,133		96,133
Supplies	25,877		25,877
Miscellaneous Expenses	59,523		59,523
Other Operating Costs	159,941		159,941
Depreciation	<u>14,972</u>	<u>-</u>	<u>14,972</u>
Total Operating Expenses	<u>2,879,769</u>	<u>-</u>	<u>2,879,769</u>
Operating Income (Loss)	<u>(2,774,140)</u>	<u>17,260</u>	<u>(2,756,880)</u>
NONOPERATING REVENUES (EXPENSES)			
State Sources			
State School Lunch Program	47,122		47,122
Federal Sources			
National School Lunch Program	2,005,332		2,005,332
School Breakfast Program	580,111		580,111
COVID - P-EBT Administrative Cost Reimbursement	3,135		3,135
Fresh Fruit and Vegetable Program	6,896		6,896
Child and Adult Care Food Program			
Child Care	224,481		224,481
Cash in Lieu of Commodities	15,929		15,929
COVID - CACFP - EMOP	38,201		38,201
Food Distribution Program	188,368		188,368
Interest and Investment Revenue	505		505
Bad Debt Expense	<u>(147,622)</u>	<u>-</u>	<u>(147,622)</u>
Total Nonoperating Revenues (Expenses)	<u>2,962,458</u>	<u>-</u>	<u>2,962,458</u>
Change in Net Position	188,318	17,260	205,578
Net Position, Beginning of Year (Restated)	<u>834,371</u>	<u>3,304</u>	<u>837,675</u>
Net Position, End of Year	<u>\$ 1,022,689</u>	<u>\$ 20,564</u>	<u>\$ 1,043,253</u>

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

**ROSELLE PUBLIC SCHOOLS
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities - Enterprise Fund</u>		
	<u>Food Service</u>	<u>Other Non-Major</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 141,771	\$ 17,260	\$ 159,031
Cash Payments to Employees for Salaries and Benefits	(1,128,528)		(1,128,528)
Cash Payments to Suppliers for Goods and Services	(1,554,055)	-	(1,554,055)
Net Cash Provided by (Used for) Operating Activities	<u>(2,540,812)</u>	<u>17,260</u>	<u>(2,523,552)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Cash Received from State and Federal Subsidy Reimbursements	<u>3,157,911</u>	-	<u>3,157,911</u>
Net Cash Provided By Non-Capital Financing Activities	<u>3,157,911</u>	-	<u>3,157,911</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Earnings	<u>505</u>	-	<u>505</u>
Net Cash Provided By Investing Activities	<u>505</u>	-	<u>505</u>
Net Increase in Cash and Cash Equivalents	617,604	17,260	634,864
Cash and Cash Equivalents—Beginning of Year	<u>1,083,065</u>	<u>3,304</u>	<u>1,086,369</u>
Cash and Cash Equivalents—End of Year	<u>\$ 1,700,669</u>	<u>\$ 20,564</u>	<u>\$ 1,721,233</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:			
Operating Income (Loss)	\$ (2,774,140)	\$ 17,260	\$ (2,756,880)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) by Operating Activities			
Depreciation	14,972		14,972
Non-Cash Federal Assistance - Food Distribution Program	188,368		188,368
Changes in Assets, Liabilities and Deferred Inflows of Resources			
(Increase) Decrease in Accounts Receivable, Net	30,655		30,655
(Increase) Decrease in Inventory	(6,154)		(6,154)
Increase (Decrease) in Unearned Revenue	(14,637)		(14,637)
Increase (Decrease) in Deferred Commodities Revenue	20,124	-	20,124
Total Adjustments	<u>233,328</u>	<u>-</u>	<u>233,328</u>
Net Cash Provided by (Used For) Operating Activities	<u>\$ (2,540,812)</u>	<u>\$ 17,260</u>	<u>\$ (2,523,552)</u>
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 185,520		\$ 185,520

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

NOTES TO THE FINANCIAL STATEMENTS

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Roselle Public Schools (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District who is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent of Schools to the Board

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Roselle Public Schools this includes general operations, food service and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2022, the District adopted the following GASB statements:

- GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 89, *Accounting for Interest Costs Incurred Before the End of a Construction Period*. The objectives of this Statement is to improve financial reporting by providing users of financial statements with more relevant information about capital assets and the cost of borrowing for a reporting period. The resulting information also will enhance the comparability of information about capital assets and the cost of borrowing for a reporting period for both governmental activities and business-type activities.
- GASB Statement No. 92, *Omnibus 2020*. The objective of this Statement is to enhance comparability in the application of accounting and financial reporting requirements and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No.84, and a Supersession of GASB Statement No. 32*. The objective of this Statement is to provide more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. The requirements also will enhance the relevance, consistency, and comparability of (1) the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans and (2) investment information for all Section 457 plans.
- GASB Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 96, *Subscription – Based Information Technology Arrangements*, will be effective beginning with the fiscal year ending June 30, 2023. The objective of this Statement will be to improve financial reporting by establishing a definition for subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

- GASB Statement No. 99, *Omnibus 2022*, the section applicable to the District will be effective beginning with the fiscal year ending June 30, 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.
- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.
- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no fiduciary funds.

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements

Separate fund financial statements are provided for governmental and proprietary activities. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental funds and the food service enterprise fund to be major funds.

The District reports the following major governmental funds:

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

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The District reports the following non-major proprietary funds which are organized to be self-supporting through user charges:

The *community school fund* accounts for the activities of the District's adult school which provides programs for post-secondary education.

The *student laptop insurance fund* accounts for the activities of the District's student laptop program which provides for the repair of district issued laptops to students.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are 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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are 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 after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements and leases payable for intangible right-to-use leased assets are reported as other financing sources.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Receivables

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

4. Restricted Assets

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and/or their use is limited by Capital Financing Agreements for projects and interest.

5. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost except for intangible right-to-use leased assets the measurement of which is discussed in Note 1. E.9. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Site Improvements	15-30
Buildings and Building Improvements	15-30
Right-to-use Leased Buildings	3-5
Machinery and Equipment	5-20

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 has one item which arises only under the accrual basis of accounting that qualifies for reporting in this category. The item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

6. *Deferred Outflows/Inflows of Resources (Continued)*

In addition to liabilities, the statement of financial 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 types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

7. *Compensated Absences*

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the District's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

8. *Pensions*

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. 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.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

9. *Leases*

Non-cancellable leases for the use of buildings are recognized as a lease liability and an intangible right-to-use lease asset in the district-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$2,000 or more. The lease liability is subsequently reduced by the principal portion of lease payments made each year. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the asset's useful life. Leases are monitored for changes in circumstances that would require a remeasurement of the lease and the lease assets and liabilities are remeasured if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

In the fund financial statements leases payable are recognized as other financing sources at the initial amount of the lease liability. Intangible right-to-use leased assets are reported as capital outlay expenditures.

ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

10. *Financing Agreements*

Capital financing agreements are financed purchase contracts that transfer ownership of the underlining assets to the District by the end of the agreement and do not contain termination options. Capital financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide financial statements.

In the fund financial statements, capital financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets financed under these agreements are reported as capital outlay or current expenditures, respectively.

11. *Long-Term Obligations*

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

12. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2C).

Maintenance Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2D).

Emergency Reserve – This restriction was created in accordance with NJAC 6A:23A-14.4(A)1 to accumulate funds in accordance with State statute to finance unanticipated general fund expenditures required for a thorough and efficient education. (See Note 2E).

Capital Financing Agreement Obligations – This restriction was created from proceeds of the capital financing agreement held by the Trustee.

ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

12. Net Position/Fund Balance (Continued)

Governmental Fund Statements (Continued)

Restricted Fund Balance (Continued)

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2022 audited excess surplus that is required to be appropriated in the 2023/2024 original budget certified for taxes.

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2021 audited excess surplus that was appropriated in the 2022/2023 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Student Activities – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

Scholarship Awards – This restriction was created to represent the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

Committed Fund Balance – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

Year-End Encumbrances – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustees for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2022/2023 District budget certified for taxes.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue and capital projects fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

13. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. Property Taxes

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. Tuition Revenues and Expenditures

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2020-2021 and 2021-2022 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

4. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses*

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 food service enterprise fund, community school enterprise fund and student laptop insurance enterprise fund are charges to customers for sales and services. Operating expenses for enterprise 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 nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general and special revenue funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2021/2022. Also, during 2021/2022 the Board increased the original general fund budget by \$3,360,021 and the original special revenue fund budget by \$11,516,678. The increases were funded by the additional appropriation of unassigned fund balance, grant awards, state aid and the reappropriation of prior year general fund encumbrances. During the fiscal year the Board authorized and approved additional fund balance appropriations of \$180,000 and \$420,585 from the general fund on August 23, 2021.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

B. Deficit Fund Equity

The District has an unassigned fund deficit of \$1,237,402 in the General Fund and \$63,641 in the Special Revenue Fund as of June 30, 2022 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2021/2022 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the General and Special Revenue Fund deficits do not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) general fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficits in the GAAP (fund) financial statements of \$1,237,402 in the General Fund and \$63,641 in the Special Revenue Fund are less than and equal to, respectively, the delayed state aid payments at June 30, 2022.

C. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$ 2,550,986
Increased by		
Deposits Approved by Board Resolution	\$ 950,000	
Total Increases		<u>950,000</u>
Balance, June 30, 2022		<u>\$ 3,500,986</u>

The LRFP balance of local support costs of uncompleted capital projects was unavailable.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. Maintenance Reserve

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$	250,000
Increased by			
Deposits Approved by Board Resolution	\$	<u>50,000</u>	
Total Increases			<u>50,000</u>
Balance, June 30, 2022		\$	<u>300,000</u>

The June 30, 2022 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,707,677.

E. Emergency Reserve

An emergency reserve account was established by the District. The accumulation of funds will be used to finance unanticipated General Fund current expenditures required for a thorough and efficient education in subsequent fiscal years.

Funds placed in the emergency reserve are restricted to finance reasonably unforeseeable costs and shall not include additional costs due to poor planning. A District may appropriate funds into the emergency reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent or the withdrawal is included in the original budget certified for taxes to finance school security improvements to school facilities pursuant to 18A:7G-6(c)1. Pursuant to NJAC 6A:23A-14.4(A), the balance in the reserve cannot at any time exceed the greater of \$250,000 or one percent of the school district's General Fund budget as certified for taxes up to a maximum of \$1,000,000.

The activity of the emergency reserve for the fiscal year ended June 30, 2022 is as follows:

Balance, July 1, 2021		\$	<u>100,000</u>
Balance, June 30, 2022		\$	<u>100,000</u>

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

F. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 4% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2022 is \$3,265,198. Of this amount, \$1,848,098 was designated and appropriated in the 2022/2023 original budget certified for taxes and the remaining amount of \$1,417,100 is required to be appropriated in the 2023/2024 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC and NCUSIF.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2022, the book value of the Board's deposits were \$8,462,533 and bank and brokerage firm balances of the Board's deposits amounted to \$17,317,560. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" or "cash with fiscal agents" are categorized as:

Depository Account

Insured	\$ 16,451,378
Uninsured and Collateralized	<u>866,182</u>
	<u>\$ 17,317,560</u>

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Cash Deposits (Continued)

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2022 the Board’s bank balance of \$866,182 was exposed to custodial credit risk as follows:

Depository Account

Uninsured and Collateralized:

Collateral held by Board's Agent in the Board's name	\$ 118,937
Collateral held by pledging financial institution's trust department but not in the Board's name	<u>747,245</u>
	<u>\$ 866,182</u>

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the “Local Authorities Fiscal Control Law,” (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2022, the Board had no outstanding investments.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37). The District does not have an investment policy that would further limit its investment choices.

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board’s investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

B. Receivables

Receivables as of June 30, 2022 for the district’s individual major funds, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Total</u>
Receivables:					
Intergovernmental-					
Federal	\$ 43,567	\$ 4,301,628		\$ 235,413	\$ 4,580,608
State	<u>76,751</u>	<u>162,639</u>	<u>\$ 6,517,225</u>	<u>3,550</u>	<u>6,760,165</u>
Gross Receivables	120,318	4,464,267	6,517,225	238,963	11,340,773
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 120,318</u>	<u>\$ 4,464,267</u>	<u>\$ 6,517,225</u>	<u>\$ 238,963</u>	<u>\$ 11,340,773</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

General Fund	
Prepaid Property Tax Levy	\$ 25,266
Special Revenue Fund	
Unencumbered Grant Draw Downs	36,019
Grant Draw Downs Reserved for Encumbrances	2,549,561
Capital Projects Fund	
Unrealized School Facilities Grants	<u>3,588,478</u>
 Total Unearned Revenue for Governmental Funds	 <u>\$ 6,199,324</u>

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance, July 1, 2021 (Restated)	Increases	Decreases	Balance, June 30, 2022
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	-	\$ 962,169	-	\$ 962,169
Total Capital Assets, Not Being Depreciated	-	962,169	-	962,169
Capital Assets, Being Depreciated:				
Site Improvements	\$ 301,585	75,133		376,718
Buildings and Building Improvements	26,926,758	1,920,600		28,847,358
Right-to-Use Leased Buildings		1,135,750		1,135,750
Machinery and Equipment	3,914,574	633,971	\$ (411,466)	4,137,079
Total Capital Assets Being Depreciated	31,142,917	3,765,454	(411,466)	34,496,905
Less Accumulated Depreciation for:				
Site Improvements	(228,130)	(12,155)		(240,285)
Buildings and Building Improvements	(13,010,092)	(1,250,312)		(14,260,404)
Right-to-Use Leased Buildings		(364,771)		(364,771)
Machinery and Equipment	(2,597,034)	(305,279)	411,466	(2,490,847)
Total Accumulated Depreciation	(15,835,256)	(1,932,517)	411,466	(17,356,307)
Total Capital Assets, Being Depreciated, Net	15,307,661	1,832,937	-	17,140,598
Governmental Activities Capital Assets, Net	\$ 15,307,661	\$ 2,795,106	\$ -	\$ 18,102,767

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

	Balance, July 1, 2021 (Restated)	<u>Increases</u>	<u>Decreases</u>	Balance, June 30, 2022
Business-Type Activities:				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 242,226	-	-	\$ 242,226
Total Capital Assets Being Depreciated	<u>242,226</u>	<u>-</u>	<u>-</u>	<u>242,226</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(158,304)	\$ (14,972)	-	(173,276)
Total Accumulated Depreciation	<u>(158,304)</u>	<u>(14,972)</u>	<u>-</u>	<u>(173,276)</u>
Total Capital Assets, Being Depreciated, Net	<u>83,922</u>	<u>(14,972)</u>	<u>-</u>	<u>68,950</u>
Business-Type Activities Capital Assets, Net	<u>\$ 83,922</u>	<u>\$ (14,972)</u>	<u>\$ -</u>	<u>\$ 68,950</u>

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

Governmental Activities:

Support Services	
Plant Operations and Maintenance	\$ <u>1,932,517</u>
Total Support Services	<u>1,932,517</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,932,517</u>

Business-Type Activities:

Food Service Fund	\$ <u>14,972</u>
Total Depreciation Expense-Business-Type Activities	<u>\$ 14,972</u>

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction and Other Significant Commitments

The District has the following active construction projects as of June 30, 2022:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
HVAC Upgrades - Charles C. Polk Elementary School	\$ 672,391	<u>\$ 2,467,609</u>

E. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2022, is as follows:

Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 1,628,337
General Fund	Capital Projects Fund	603,686
General Fund	Food Service Fund	<u>1,017,967</u>
Total		<u>\$ 3,249,990</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or expenditures paid by one fund on behalf of another fund.

The District expects all interfund balances to be liquidated within one year with the exception of the amount due to the general fund from the capital projects fund. This balance will be liquidated upon collection of outstanding SDA grants receivable in the capital projects fund.

F. Leases Payable

On January 25, 2021 the District entered into a 3 year lease agreement as lessee for the use of building premises at St. Joseph, the Carpenter Church. An initial lease liability was recorded in the amount of \$970,000. The lease has an interest rate of 3.25%. The District is required to make monthly payments of \$27,784 to \$28,906. As of June 30, 2022 the value of the lease liability was \$663,610. The value of the right -to-use asset as of June 30, 2022 is \$970,000 and had accumulated depreciation of \$323,333.

On March 23, 2021, the District entered into a 5 year lease agreement as lessee for the use of building premises at 108 Chestnut St. An initial lease liability was recorded in the amount of \$165,750. The lease has an interest rate of 3.25%. The District is required to make monthly payments of \$3,000. As of June 30, 2022 the value of the lease liability was \$126,750. The value of the right -to-use asset as of June 30, 2022 is \$165,750 and had accumulated depreciation of \$41,438.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Leases Payable (Continued)

The future principal and interest lease payments as of June 30, 2022 were as follows:

Governmental Activities:

Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 355,612	\$ 20,453	\$ 376,065
2024	373,785	9,093	382,878
2025	34,530	1,470	36,000
2026	<u>26,433</u>	<u>567</u>	<u>27,000</u>
Total	<u>\$ 790,360</u>	<u>\$ 31,583</u>	<u>\$ 821,943</u>

G. Financing Agreements

Capital Financing Agreements

The District entered into the following agreements to finance the construction of major capital facilities and other capital assets under capital financing agreements. The repayments under these financing agreements are subject to the annual appropriation of funds in the District's approved budget.

Capital financing agreements at June 30, 2022 are comprised of the following:

\$2,075,000, fiscal year 2021 Agreement for the acquisition of temporary classroom units, athletic field lighting and security cameras for a term of 5 years due in annual principal installments of \$407,707 to \$421,286 through August 15, 2025 interest at 1.0981%	<u>\$ 1,657,886</u>
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The unexpended proceeds from the capital financing agreements, including interest earned on balances which remain on deposit are held with the fiscal agent. As of June 30, 2022, \$118,937 remains on hand with the fiscal agent.

Governmental Activities:

Fiscal Year Ending June 30,	<u>Capital Agreements</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 407,707	\$ 18,205	\$ 425,912
2024	412,183	13,729	425,912
2025	416,710	9,202	425,912
2026	<u>421,286</u>	<u>4,626</u>	<u>425,912</u>
Total	<u>\$ 1,657,886</u>	<u>\$ 45,762</u>	<u>\$ 1,703,648</u>

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-Term Debt (Continued)

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2022 was as follows:

3.5% of Equalized Valuation Basis (Municipal)	\$ 59,998,412
Less: Net Debt	<u>-</u>
Remaining Borrowing Power	<u>\$ 59,998,412</u>

I. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, was as follows:

	Balance, <u>July 1, 2021</u>	<u>Additions</u>	<u>Reductions</u>	Balance, <u>June 30, 2022</u>	Due Within <u>One Year</u>
Governmental Activities:					
Capital Financing Agreements	\$ 139,241	\$ 1,935,759	\$ (417,114)	\$ 1,657,886	\$ 407,707
Compensated Absences	373,922	62,887	(41,405)	395,404	
Leases Payable		1,135,750	(345,390)	790,360	355,612
Net Pension Liability	<u>9,457,109</u>	<u>-</u>	<u>(1,632,722)</u>	<u>7,824,387</u>	<u>-</u>
Governmental Activity Long-Term Liabilities	<u>\$ 9,970,272</u>	<u>\$ 3,134,396</u>	<u>\$ (2,436,631)</u>	<u>\$ 10,668,037</u>	<u>\$ 763,319</u>

For the governmental activities, the liabilities for compensated absences, capital financing agreements, leases and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of the New Jersey Schools Insurance Group (NJSIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the funds, to report claims on a timely basis, cooperate with the management of the funds, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the funds. Members have a contractual obligation to fund any deficit of the funds attributable to a membership year during which they were a member.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

NJSIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2022, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2022, the District had no estimated arbitrage earnings due to the IRS.

D. Employee Retirement Systems and Pension Plans

Plan Descriptions and Benefits Provided

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

Public Employees' Retirement System (PERS) – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Public Employees' Retirement System (PERS) (Continued)

The following represents the membership tiers for PERS:

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

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

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple- employer defined benefit pension plan with a special funding situation, which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at www.state.nj.us/treasury/pensions.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death, and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represent the membership tiers for TPAF:

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

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PFRS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits (“Division”), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Plan Amendments

The authority to amend the provisions of the above plans rests with legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

Measurement Focus and Basis of Accounting

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Prudential retirement is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj.us/treasury/doinvest.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Collective Net Pension Liability

The collective net pension liability of the participating employers for local PERS at June 30, 2021 is \$12.0 billion and the plan fiduciary net position as a percentage of the total pension liability is 70.33%. The collective net pension liability of the State funded TPAF at June 30, 2021 is \$48.2 billion and the plan fiduciary net position as a percentage of total pension liability is 35.52%.

The total pension liabilities were determined based on actuarial valuations as of July 1, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the July 1, 2020 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary’s report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan members and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee’s annual compensation for fiscal year 2022.

PERS employers’ and TPAF State’s nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State’s annual pension contribution was less than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, the annual pension contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2022, 2021 and 2020 were equal to the required contributions.

During the fiscal years ended June 30, 2022, 2021 and 2020 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively for normal cost pension and unfunded accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2022	\$ 773,500	\$ 8,395,210	\$ 27,414
2021	634,412	5,592,933	26,822
2020	599,386	4,216,731	NONE

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions (Continued)

In addition for fiscal years 2022, 2021 and 2020 the District contributed \$0, \$0 and \$3,868, respectively for PERS and the State contributed \$4,383, \$4,467 and \$5,005, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,670,753 during the fiscal year ended June 30, 2022 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

Public Employees Retirement System (PERS)

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2020 through June 30, 2021. Employer allocation percentages have been rounded for presentation purposes.

Although the NJ Division of Pensions and Benefits ("Division") administers one cost-sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2021 are based on the ratio of each employer's contribution to total employer contributions of the group for the fiscal year ended June 30, 2021.

At June 30, 2022, the District reported in the statement of net position (accrual basis) a liability of \$7,824,387 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2021. At June 30, 2021, the District's proportionate share was .06604 percent, which was an increase of .00805 percent from its proportionate share measured as of June 30, 2020 of .05799 percent.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension benefit of \$650,135 for PERS. The pension contribution made by the District during the current 2021/2022 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2022 with a measurement date of the prior fiscal year end of June 30, 2021. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2022 for contributions made subsequent to the measurement date. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 123,401	\$ 56,013
Changes of Assumptions	40,749	2,785,533
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		2,061,149
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>1,789,280</u>	<u>552,552</u>
Total	<u>\$ 1,953,430</u>	<u>\$ 5,455,247</u>

At June 30, 2022, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense/(benefit) as follows:

Year Ending <u>June 30,</u>	<u>Total</u>
2023	\$ (1,458,568)
2024	(974,706)
2025	(689,320)
2026	(413,686)
2027	34,463
Thereafter	<u>-</u>
	<u>\$ (3,501,817)</u>

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The District's total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>PERS</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	2.00-6.00% Based on Years of Service
Thereafter	3.00%-7.00% Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension 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 plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability for PERS was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

Sensitivity of Net Pension Liability

The following presents the District’s proportionate share of the PERS net pension liability calculated using the discount rate of 7.00, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
District's Proportionate Share of the PERS Net Pension Liability	<u>\$ 10,655,228</u>	<u>\$ 7,824,387</u>	<u>\$ 5,422,017</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2021. A sensitivity analysis specific to the District’s net pension liability at June 30, 2021 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The non-employer allocation percentages presented are based on the ratio of the State's contributions made as an employee and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2020 through June 30, 2021. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2021, the State's pension contribution was less than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$2,135,887 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State's proportionate share of the net pension liability attributable to the District is \$90,771,246. The net pension liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2020. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2021. At June 30, 2021, the State's share of the net pension liability attributable to the District was .18881 percent, which was a decrease of .00005 percent from its proportionate share measured as of June 30, 2020 of .18886 percent.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

	<u>TPAF</u>
Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2026	1.55-4.55% Based on Years of Service
Thereafter	2.75%-5.65% Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rates

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

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

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2021) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Risk Mitigation Strategies	3.00%	3.35%
Cash Equivalents	4.00%	0.50%
U.S. Treasuries	5.00%	0.95%
Investment Grade Credit	8.00%	1.68%
US Equity	27.00%	8.09%
Non-US Developed Markets Equity	13.50%	8.71%
Emerging Markets Equity	5.50%	10.96%
High Yield	2.00%	3.75%
Real Assets	3.00%	7.40%
Private Credit	8.00%	7.60%
Real Estate	8.00%	9.15%
Private Equity	13.00%	11.30%

Discount Rate

The discount rate used to measure the total pension liability for TPAF was 7.00% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 7.00%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	1% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	\$ 107,397,546	\$ 90,771,246	\$ 76,806,199

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2021. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2021 was not provided by the pension system.

Pension Plan Fiduciary Net Position

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

Plan Description and Benefits Provided

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS and Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement if the member’s employer does not provide this coverage. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree’s annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

Plan Membership

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2020:

Active Plan Members	216,804
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>149,304</u>
Total	<u>366,108</u>

Measurement Focus and Basis of Accounting

The financial statements of the post-employment health benefit plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Collective Net OPEB Liability

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2021 is \$60.0 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities were determined based on actuarial valuations as of June 30, 2020 which were rolled forward to June 30, 2021.

Actuarial Methods and Assumptions

In the June 30, 2020 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

Post-Retirement Medical Benefits Contributions

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.23 billion to the OPEB plan in fiscal year 2021.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2022, 2021 and 2020 were \$1,961,461, \$1,752,738 and \$1,564,330, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

**ROSELLE PUBLIC SCHOOLS
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2020 through June 30, 2021. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District’s proportionate share percentage determined under Statement No. 75 is zero percent and the State’s proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2022, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$7,471,150. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2022 the State’s proportionate share of the OPEB liability attributable to the District is \$97,366,202. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2021 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2021. At June 30, 2021, the state’s share of the OPEB liability attributable to the District was .16225 percent, which was a decrease of .00051 percent from its proportionate share measured as of June 30, 2020 of .16276 percent.

Actuarial Assumptions

The OPEB liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020, which was rolled forward to June 30, 2021. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%	
Salary Increases*	<u>PERS</u>	<u>TPAF</u>
Initial Fiscal Year Applied Through	2026	2026
Rate	2.00% to 6.00%	1.55% to 4.45%
Rate Thereafter	3.00% to 7.00%	2.75% to 5.65%

*Salary increases are based on the defined benefit pension plan that the member is enrolled in and the members years of service.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Actuarial Assumptions (Continued)

Preretirement mortality rates were based on the Pub-2010 Health “Teachers” (TPAF) and “General” (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2010 “General” (PERS) and “Teachers” (TPAF) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of the TPAF and PERS actuarial experience studies for the period July 1, 2015 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the plan upon retirement.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreases to 4.50% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreases to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%

Discount Rate

The discount rate for June 30, 2021 was 2.16%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Changes in the Total OPEB Liability

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2022 (measurement date June 30, 2021) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2020 Measurement Date	\$ <u>110,370,653</u>
Changes Recognized for the Fiscal Year:	
Service Cost	6,900,484
Interest on the Total OPEB Liability	2,525,782
Changes in Benefit Terms	(103,634)
Differences Between Expected and Actual Experience	(20,498,105)
Changes of Assumptions	96,059
Contributions from the Member	64,572
Gross Benefit Payments	<u>(1,989,609)</u>
Net Changes	\$ <u>(13,004,451)</u>
Balance, June 30, 2021 Measurement Date	\$ <u><u>97,366,202</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 2.21% in 2020 to 2.16% in 2021.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

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

Sensitivity of OPEB Liability

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 2.16%, as well as what the State's proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Decrease <u>(1.16%)</u>	Current Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>116,629,425</u>	\$ <u>97,366,202</u>	\$ <u>82,197,570</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the State's proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State's Proportionate Share of the OPEB Liability Attributable to the District	\$ <u>78,818,257</u>	\$ <u>97,366,202</u>	\$ <u>122,274,722</u>

The sensitivity analyses were based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021. Sensitivity analyses specific to the State's proportionate share of the OPEB liability attributable to the District at June 30, 2021 were not provided by the pension system.

F. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential school tax revenue must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For Roselle Public Schools, the District's share of abated taxes resulting from the municipality having entered into a tax abatement agreement is indeterminate.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 5 RESTATEMENT

The June 30, 2021 financial statements of the governmental activities, business-type activities and proprietary funds have been restated as a result of the District obtaining an updated appraisal report for capital assets and related depreciation. The effect of this restatement is as follows:

Governmental Activities

Net position of governmental activities was reduced by \$1,743,681 from \$16,089,991 as originally reported to \$14,346,310 as of June 30, 2021.

Business-Type Activities

Net position of business-type activities was reduced by \$59,366 from \$897,041 as originally reported to \$837,675 as of June 30, 2021.

Proprietary Funds

Net position of the food service enterprise fund was reduced by \$59,366 from \$893,737 as originally reported to \$834,371 as of June 30, 2021.

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus, has been characterized as a pandemic (the “Pandemic”) by the World Health Organization and has been affecting many parts of the world, including the United States and the State of New Jersey. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States and on March 13, 2020, the President of the United States declared the outbreak of COVID-19 in the United States a national emergency. Subsequently, the President’s Coronavirus Guidelines for America and the United States Centers for Disease Control and Prevention called upon Americans to take actions to slow the spread of COVID-19 in the United States. As governments monitor the outbreaks, they have taken various steps to control them through requiring social distancing, masks and business closures and limited openings. As the virus appears to be under control in many areas, many of these restrictions have been lifted although the situation is monitored, sometimes restrictions are reinstated. Several vaccines have been developed and have been administered. Mutant variants have emerged in various places around the world and now are prevalent in the United States. Certain workers are being required to be vaccinated. Companies have developed booster shots, and current vaccines have proven substantially effective against all currently know variants. New treatments are also being developed to avert the worst outcomes. The assessment of the impact of the virus and the ability to control it and its mutant strains is ongoing.

In the State, Governor Phil Murphy has issued multiple Executive Orders since March 16, 2020 including but not limited to aggressive social distancing measures, restrictions on local elections, restrictions on foreclosure and evictions, suspension of all elective surgeries, closing of schools and child care centers, the commandeering of property such as medical supplies, the cessation of all non-essential construction projects, extending insurance premium grace periods, the temporary reprieve to certain at-risk inmates and the extension of the permitted statutory grace period from May 11, 2020 to June 1, 2020 for quarterly property taxes due May 1, 2020. On June 4, 2021, the Governor signed legislation enabling the end of the public health emergency and keeping certain executive orders in place until January 1, 2022, though such executive orders may be modified or rescinded prior to that day by the Governor. The Board expects ongoing actions be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19. The Pandemic has negatively affected travel, commerce, and financial markets globally, and may continue to negatively affect economic growth and financial markets worldwide. These negative impacts could reduce or negatively affect property values within the School District.

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 6 INFECTIOUS DISEASE OUTBREAK – COVID-19 RECENT DEVELOPMENTS (Continued)

Since the pandemic began, the federal government had enacted rescue legislation to address the pandemic and alleviate its economic and health effects, including significant support for education. The legislation includes various forms of financial relief including direct stimulus payments and various other forms of economic relief, including extended unemployment benefits, continued eviction and foreclosure moratoriums, an increase in the child tax credit, an increase in food and housing aid, assistance grants to restaurants and bars, and other small business grants and loans. The Plan provides funding for state and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. Federal aid for public education has been provided under three 5 separate laws: The Coronavirus Aid, Relief, and Economic Security Act in March 2020 (CARES Act), and the Coronavirus Response and Relief Supplemental Appropriations Act in December 2020 (CRRSA) and the American Rescue Plan Act in March 2021 (ARP). The Elementary and Secondary School Emergency Relief (ESSER) Fund is the main source of funding for public elementary and secondary education under each law. The School District has been awarded up to \$12,350,854 to address certain expenses incurred as a result of the pandemic. Because of the evolving nature of the outbreak and federal, state and local responses, the Board cannot predict how the outbreak will impact the financial condition or operations of the Board, or if there will be any impact on the assessed values of property within the School District or deferral of tax payments to municipalities. The School District cannot predict costs associated with this or any other potential infectious disease outbreak including whether there will be any reduction in State funding or an increase in operational costs incurred to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease. To date the School District has not been materially and adversely affected financially due to the virus.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget To Actual
REVENUES					
Local Sources					
Local Tax Levy	\$ 25,265,871		\$ 25,265,871	25,265,871	
Tuition - Other	30,000	\$ (21,000)	9,000	81,377	\$ 72,377
Interest Earned in Emergency Reserve Fund	1		1		(1)
Interest Earned on Lease Purchase				284	284
Unrestricted Miscellaneous Revenues	12,000	21,000	33,000	228,539	195,539
Total Local Sources	25,307,872	-	25,307,872	25,576,071	268,199
State Sources					
Transportation Aid	137,828		137,828	137,828	
Extraordinary Aid	100,000	242,288	342,288	342,288	
Special Education Aid	1,836,297		1,836,297	1,836,297	
Equalization Aid	29,203,743		29,203,743	29,203,743	
Security Aid	1,283,877		1,283,877	1,283,877	
On Behalf TPAF Contributions (Non-Budgeted)					
Pension				8,278,413	8,278,413
NCGI				116,797	116,797
Post-Retirement Medical				1,961,461	1,961,461
Long Term Disability Insurance				4,383	4,383
Reimbursed Social Security	-	-	-	1,670,753	1,670,753
Total State Sources	32,561,745	242,288	32,804,033	44,835,840	12,031,807
Federal Sources					
Medicaid Reimbursements	129,158	-	129,158	178,514	49,356
Total Federal Sources	129,158	-	129,158	178,514	49,356
Total Revenues	57,998,775	242,288	58,241,063	70,590,425	12,349,362
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	987,459	(121,533)	865,926	865,656	270
Grades 1-5	5,174,431	(373,742)	4,800,689	4,768,687	32,002
Grades 6-8	3,201,578	(129,558)	3,072,020	3,064,223	7,797
Grades 9-12	4,982,968	(276,398)	4,706,570	3,890,907	815,663
Regular Programs - Home Instruction					
Salaries of Teachers	53,000		53,000	50,076	2,924
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	821,390	(123,174)	698,216	472,902	225,314
Purchased Professional-Educational Services	817,980	135,503	953,483	758,433	195,050
Purchased Technical Services	223,821	340,208	564,029	529,058	34,971
Other Purchased Services	210,895	140,507	351,402	275,049	76,353
General Supplies	668,313	383,266	1,051,579	817,654	233,925
Textbooks	618,320	64,683	683,003	516,251	166,752
Other Objects	202,053	(6,717)	195,336	136,906	58,430
Total Regular Programs - Instruction	17,962,208	33,045	17,995,253	16,145,802	1,849,451

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Instruction - Special Education					
Learning /Language Disabilities					
Salaries of Teachers	\$ 258,969		\$ 258,969	\$ 235,689	\$ 23,280
Other Salaries for Instruction	198,948	-	198,948	161,882	37,066
Total Learning /Language Disabilities	457,917	-	457,917	397,571	60,346
Emotional Regulation Impairment					
Salaries of Teachers	186,765	\$ (62,982)	123,783	123,783	
Other Salaries for Instruction	159,424	10,187	169,611	169,611	-
Total Behavioral Disabilities	346,189	(52,795)	293,394	293,394	-
Multiple Disabilities					
Salaries of Teachers	445,880	(92,006)	353,874	353,874	
Other Salaries for Instruction	278,655	(39,454)	239,201	239,201	
General Supplies	44,000	(29,063)	14,937	14,316	621
Total Multiple Disabilities	768,535	(160,523)	608,012	607,391	621
Resource Room/Resource Center					
Salaries of Teachers	2,298,336	(260,852)	2,037,484	2,008,119	29,365
Other Salaries for Instruction	237,145	(96,683)	140,462	140,462	
General Supplies	1,800	(213)	1,587	-	1,587
Total Resource Room/Resource Center	2,537,281	(357,748)	2,179,533	2,148,581	30,952
Autism					
Salaries of Teachers	134,249	4,123	138,372	120,232	18,140
Other Salaries for Instruction	40,188		40,188	40,188	
General Supplies	8,500	-	8,500	-	8,500
Total Autism	182,937	4,123	187,060	160,420	26,640
Preschool Disabilities - Full - Time					
Salaries of Teachers	385,390	(30,990)	354,400	335,877	18,523
Other Salaries for Instruction	118,573	(29,241)	89,332	89,332	-
Total Preschool Disabilities - Full - Time	503,963	(60,231)	443,732	425,209	18,523
Total Special Education	4,796,822	(627,174)	4,169,648	4,032,566	137,082

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Basic Skills/Remedial					
Salaries of Teachers	\$ 954,467	\$ (169,478)	\$ 784,989	\$ 784,989	-
Total Basic Skills/Remedial	<u>954,467</u>	<u>(169,478)</u>	<u>784,989</u>	<u>784,989</u>	<u>-</u>
Bilingual Education					
Salaries of Teachers	1,392,510	105,196	1,497,706	1,497,706	
Other Salaries for Instruction	365,626	9,370	374,996	374,703	\$ 293
Purchased Professional Educational Services	3,000		3,000	1,000	2,000
Other Purchased Services	25,611		25,611		25,611
General Supplies	15,950	(10,000)	5,950	3,430	2,520
Textbooks	5,000	10,000	15,000	8,752	6,248
Other Objects	5,000	-	5,000	1,224	3,776
Total Bilingual Education	<u>1,812,697</u>	<u>114,566</u>	<u>1,927,263</u>	<u>1,886,815</u>	<u>40,448</u>
School Sponsored Athletics - Instruction					
Salaries	363,000	(12,997)	350,003	306,854	43,149
Supplies and Materials	120,000	-	120,000	118,033	1,967
Total School Sponsored Athletics - Instruction	<u>483,000</u>	<u>(12,997)</u>	<u>470,003</u>	<u>424,887</u>	<u>45,116</u>
Other Instructional Programs - Instruction					
Salaries	124,654	7,997	132,651	132,651	
Purchased Services	15,000		15,000	12,888	2,112
Supplies and Materials	5,007	-	5,007	4,924	83
Total Other Instructional Programs - Instruction	<u>144,661</u>	<u>7,997</u>	<u>152,658</u>	<u>150,463</u>	<u>2,195</u>
Before/After School Programs - Instruction					
Salaries of Teachers	223,750	18,311	242,061	227,772	14,289
Other Salaries of Instruction	-	944	944	944	-
Total Before/After School Programs - Instruction	<u>223,750</u>	<u>19,255</u>	<u>243,005</u>	<u>228,716</u>	<u>14,289</u>
Summer School - Instruction					
Salaries of Teachers	125,000	54,244	179,244	161,466	17,778
Other Salaries of Instruction	55,000	(4,866)	50,134	50,134	-
Total Summer School - Instruction	<u>180,000</u>	<u>49,378</u>	<u>229,378</u>	<u>211,600</u>	<u>17,778</u>

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Other Supplemental/At-Risk Programs - Instruction					
Salaries of Teachers	\$ 120,000	\$ (120,000)	-	-	-
Total Other Supplemental/At-Risk Programs - Instruction	<u>120,000</u>	<u>(120,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total - Instruction	<u>26,677,605</u>	<u>(705,408)</u>	<u>\$ 25,972,197</u>	<u>\$ 23,865,838</u>	<u>\$ 2,106,359</u>
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs Within State-Special	1,000,505	(181,030)	819,475	811,235	8,240
Tuition to County Voc. School- Regular	675,000	378,737	1,053,737	285,500	768,237
Tuition to County Voc. School- Special	80,000	(80,000)	-	-	-
Tuition to Private School for Disabled W/I	1,341,040	(1,148,989)	192,051	190,766	1,285
Tuition - State Facilities	39,872	13,981	53,853	53,853	-
Total Undistributed Expenditures - Instruction (Tuition)	<u>3,136,417</u>	<u>(1,017,301)</u>	<u>2,119,116</u>	<u>1,341,354</u>	<u>777,762</u>
Attendance and Social Work					
Salaries	169,237	(47,533)	121,704	93,694	28,010
Salaries of Family Liaisons/Community Parent Involve. Specialists	33,291	-	33,291	33,291	-
Supplies and Materials	-	249	249	-	249
Total Attendance and Social Work	<u>202,528</u>	<u>(47,284)</u>	<u>155,244</u>	<u>126,985</u>	<u>28,259</u>
Health Services					
Salaries	514,232	(183,870)	330,362	330,362	-
Purchased Professional and Technical Services	40,000	2,715	42,715	35,467	7,248
Supplies and Materials	9,000	-	9,000	8,726	274
Other Objects	2,000	-	2,000	1,904	96
Total Health Services	<u>565,232</u>	<u>(181,155)</u>	<u>384,077</u>	<u>376,459</u>	<u>7,618</u>
Speech, OT, PT & Related Services					
Salaries	272,899	(72,042)	200,857	200,857	-
Supplies and Materials	15,000	-	15,000	8,403	6,597
Total Speech, OT, PT & Related Services	<u>287,899</u>	<u>(72,042)</u>	<u>215,857</u>	<u>209,260</u>	<u>6,597</u>
Other Support Services - Students - Extra Svc					
Purchased Professional - Educational Services	1,424,500	1,282,752	2,707,252	2,623,295	83,957
Total Other Support Services - Students - Extra Svc.	<u>1,424,500</u>	<u>1,282,752</u>	<u>2,707,252</u>	<u>2,623,295</u>	<u>83,957</u>

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 827,101	\$ (2,202)	\$ 824,899	\$ 822,978	\$ 1,921
Salaries of Secretarial and Clerical Assistants	94,669		94,669	94,583	86
Other Salaries	112,928	4,975	117,903	100,559	17,344
Purchased Professional - Educational Services	50,000	(13,913)	36,087	27,551	8,536
Supplies and Materials	17,462	(9,431)	8,031	7,062	969
Total Undistributed Expenditures - Guidance	<u>1,102,160</u>	<u>(20,571)</u>	<u>1,081,589</u>	<u>1,052,733</u>	<u>28,856</u>
Child Study Teams					
Salaries of Other Professional Staff	1,606,000	(516,866)	1,089,134	1,075,347	13,787
Salaries of Secretarial and Clerical Assistants	157,715	4,131	161,846	155,076	6,770
Other Purchased Professional and Tech Services		15,000	15,000	15,000	
Other Purchased Services	27,200	8,151	35,351	26,399	8,952
Supplies and Materials	44,000	2,628	46,628	45,058	1,570
Other Objects	13,100	-	13,100	8,841	4,259
Total Undistributed Expenditures - Child Study Teams	<u>1,848,015</u>	<u>(486,956)</u>	<u>1,361,059</u>	<u>1,325,721</u>	<u>35,338</u>
Improvement of Instruction Services					
Salaries of Supervisors of Instruction	358,606	81,139	439,745	439,745	
Salaries of Other Professional Staff	324,057	186	324,243	306,260	17,983
Salaries of Secretarial and Clerical Assistants	54,583	(4,583)	50,000	50,000	
Other Salaries	246,430	72,294	318,724	318,724	
Purchased Professional - Educational Services	255,000	(255,000)			
Other Purchased Professional and Technical Services	18,400	(7,100)	11,300	11,300	
Other Purchased Services	8,372	(4,297)	4,075	249	3,826
Supplies and Materials	174,890	(166,891)	7,999	3,816	4,183
Total Improvement of Instruction Services/	<u>1,440,338</u>	<u>(284,252)</u>	<u>1,156,086</u>	<u>1,130,094</u>	<u>25,992</u>
Educational Media Services/School Library					
Salaries	419,502	(54,459)	365,043	353,051	11,992
Salaries of Technology Coordinators	130,065	26,203	156,268	156,268	
Supplies and Materials	104,875	23,511	128,386	88,452	39,934
Total Educational Media Services/School Library	<u>654,442</u>	<u>(4,745)</u>	<u>649,697</u>	<u>597,771</u>	<u>51,926</u>
Instructional Staff Training Serv.					
Other Purchased Services	<u>316,830</u>	<u>(185,134)</u>	<u>131,696</u>	<u>75,147</u>	<u>56,549</u>
Total Instructional Staff Training Serv.	<u>316,830</u>	<u>(185,134)</u>	<u>131,696</u>	<u>75,147</u>	<u>56,549</u>

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Support Services General Administration					
Salaries	\$ 504,696	\$ (26,683)	\$ 478,013	\$ 472,999	\$ 5,014
Legal Services	300,000	38,702	338,702	319,342	19,360
Audit Fees	47,500	15,073	62,573	62,573	
Other Purchased Professional Services	15,000	28,368	43,368	27,038	16,330
Communications/Telephone	75,000	54,586	129,586	103,736	25,850
BOE Other Purchased Services	27,000	15,419	42,419	32,008	10,411
Miscellaneous Purchased Services	159,285	(11,264)	148,021	129,004	19,017
General Supplies	36,000	(6,755)	29,245	25,424	3,821
Miscellaneous Expenditures	21,938	3,465	25,403	20,911	4,492
BOE Member Dues & Fees	24,000	(355)	23,645	23,426	219
Total Support Services General Administration	<u>1,210,419</u>	<u>110,556</u>	<u>1,320,975</u>	<u>1,216,461</u>	<u>104,514</u>
Support Services School Administration					
Salaries of Principals/Asst. Principals/Program Dir.	1,632,510	506,375	2,138,885	2,128,739	10,146
Salaries of Secretarial and Clerical Assistants	558,814	(6,633)	552,181	548,992	3,189
Purchased Professional and Tech Services	-	8,765	8,765	1,540	7,225
Supplies and Materials	56,958	(2,709)	54,249	29,837	24,412
Total Support Services School Administration	<u>2,248,282</u>	<u>505,798</u>	<u>2,754,080</u>	<u>2,709,108</u>	<u>44,972</u>
Central Services					
Salaries	404,788	(20,531)	384,257	381,814	2,443
Purchased Technical Services	37,000	(7,325)	29,675	25,960	3,715
Miscellaneous Purchased Services	50,000	(11,452)	38,548	17,325	21,223
Supplies and Materials	15,000	2,041	17,041	14,722	2,319
Interest on Lease Purchase Agreement	5,100	5,418	10,518	10,518	-
Total Central Services	<u>511,888</u>	<u>(31,849)</u>	<u>480,039</u>	<u>450,339</u>	<u>29,700</u>
Required Maintenance for School Facilities					
Salaries	251,262	(75,477)	175,785	165,438	10,347
Cleaning, Repair and Maintenance Services	404,000	2,367,142	2,771,142	2,279,114	492,028
General Supplies	51,000	137,708	188,708	95,265	93,443
Total Required Maint. for School Facilities	<u>706,262</u>	<u>2,429,373</u>	<u>3,135,635</u>	<u>2,539,817</u>	<u>595,818</u>
Custodial Services					
Salaries	1,041,397	65,253	1,106,650	1,089,826	16,824
Purchased Professional and Technical Services	635,000	48,697	683,697	660,479	23,218
Cleaning, Repair and Maintenance Services	105,000	(3,184)	101,816	85,727	16,089
Rental of Land & Bldg. Other Than Lease Purchase Agreement	574,250	(7,597)	566,653	566,013	640
Insurance	216,196	435	216,631	216,631	
General Supplies	275,000	30,433	305,433	244,888	60,545
Energy (Natural Gas)	287,359	94,952	382,311	347,965	34,346
Energy (Electricity)	507,100	76,742	583,842	481,825	102,017
Total Custodial Services	<u>3,641,302</u>	<u>305,731</u>	<u>3,947,033</u>	<u>3,693,354</u>	<u>253,679</u>

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Care & Upkeep of Grounds					
Salaries	\$ 54,703		\$ 54,703	\$ 47,376	\$ 7,327
Cleaning, Repair and Maintenance Services	25,000	\$ (14,368)	10,632	10,632	
General Supplies	20,000	(10,066)	9,934	7,827	2,107
Total Care & Upkeep of Grounds	<u>99,703</u>	<u>(24,434)</u>	<u>75,269</u>	<u>65,835</u>	<u>9,434</u>
Security					
Salaries	558,868	(41,570)	517,298	499,575	17,723
Cleaning, Repair and Maintenance Services	15,000	34,065	49,065	43,366	5,699
General Supplies	25,000	(705)	24,295	22,338	1,957
Total Security	<u>598,868</u>	<u>(8,210)</u>	<u>590,658</u>	<u>565,279</u>	<u>25,379</u>
Total Undist. Expend.-Oper & Main of Plant Serv.	<u>5,046,135</u>	<u>2,702,460</u>	<u>7,748,595</u>	<u>6,864,285</u>	<u>884,310</u>
Student Transportation Services					
Management Fee - ESC and CTSA Transportation Program	68,263	4,510	72,773	72,773	
Contracted Services - Aid in Lieu of Payments - Charter Schools	35,000	8,000	43,000	43,000	
Contracted Services - Aid in Lieu of Payments - Choice Schools	53,000	(8,000)	45,000	38,100	6,900
Contracted Services (Between Home and School) - Vendors	138,620	127,894	266,514	266,514	
Contracted Services (Other than Between Home and School) - Vendors	203,406	(76,623)	126,783	110,753	16,030
Contracted Services - (Spec. Ed. Students) - Joint Agreements	1,459,417	339,041	1,798,458	1,798,458	-
Total Student Transportation Services	<u>1,957,706</u>	<u>394,822</u>	<u>2,352,528</u>	<u>2,329,598</u>	<u>22,930</u>
Unallocated Benefits - Employee Benefits					
Social Security Contribution	638,981	2,931	641,912	641,912	
Other Retirement Contributions - PERS	786,677	(4,000)	782,677	773,500	9,177
Other Retirement Contributions - DCRP		27,414	27,414	27,414	
Unemployment Compensation	100,000	10,573	110,573	110,573	
Workmen's Compensation	460,906	29,329	490,235	490,235	
Health Benefits	9,467,339	(563,877)	8,903,462	8,468,113	435,349
Tuition Reimbursement	80,346	(50,292)	30,054	30,054	
Other Employee Benefits	50,160	21,336	71,496	71,496	-
Total Unallocated Benefits - Employee Benefits	<u>11,584,409</u>	<u>(526,586)</u>	<u>11,057,823</u>	<u>10,613,297</u>	<u>444,526</u>
On Behalf TPAF Contributions (Non-Budgeted)					
Pension				8,278,413	(8,278,413)
NCGI				116,797	(116,797)
Post-Retirement Medical				1,961,461	(1,961,461)
Long Term Disability Insurance				4,383	(4,383)
Reimbursed Social Security	-	-	-	1,670,753	(1,670,753)
Total On-Behalf TPAF Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,031,807</u>	<u>(12,031,807)</u>
Total Undistributed Expenditures	<u>33,537,200</u>	<u>2,138,513</u>	<u>35,675,713</u>	<u>45,073,714</u>	<u>(9,398,001)</u>
Interest Earned on Current Expense Emergency Res.	1	(1)	-	-	-
Total Current Expenditures	<u>60,214,806</u>	<u>1,433,104</u>	<u>61,647,910</u>	<u>68,939,552</u>	<u>(7,291,642)</u>

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
CAPITAL OUTLAY					
Equipment:					
Regular Programs Instruction					
Grades 1-5		\$ 4,948	\$ 4,948	\$ 4,898	\$ 50
Grades 9-12		7,728	7,728	5,349	2,379
Undistributed Expenditures:					
Child Study Teams		3,757	3,757	3,645	112
General Administration		2,484	2,484	2,484	-
Admin Info Tech		216,175	216,175	195,973	20,202
Required Maintenance for School Facilities		289,168	289,168	5,800	283,368
Custodial Services	-	290,824	290,824	26,286	264,538
Total Equipment	-	815,084	815,084	244,435	570,649
Facilities Acquisition and Construction Serv.					
Architect Services		17,500	17,500		17,500
Construction Services		981,873	981,873	765,827	216,046
Assessment for Debt Service on SDA Funding	\$ 15,458	-	15,458	15,458	-
Total Facilities Acquisition and Constr. Services	15,458	999,373	1,014,831	781,285	233,546
Assets Acquired Under Leases/Capital Financing Agreement (Non-Budget)	-	-	-	2,952,856	(2,952,856)
Total Capital Outlay	15,458	1,814,457	1,829,915	3,978,576	(2,148,661)
SPECIAL SCHOOLS					
Adult Education - Local Support Serv.					
Salaries	7,288	-	7,288	5,016	2,272
Total Adult Education - Local Support Serv.	7,288	-	7,288	5,016	2,272
Total Special Schools	7,288	-	7,288	5,016	2,272
Transfer Funds to Charter School	561,223	112,460	673,683	673,683	-
Total Expenditures	60,798,775	3,360,021	64,158,796	73,596,827	(9,438,031)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,800,000)	(3,117,733)	(5,917,733)	(3,006,402)	2,911,331
Other Financing Sources (Uses)					
Lease Proceeds				1,135,750	1,135,750
Capital Financing Agreement Proceeds (Non-Budgeted)	-	-	-	1,935,759	1,935,759
Total Other Financing Sources (Uses)	-	-	-	3,071,509	3,071,509
Excess (Deficiency) of Revenues and Other Financing Sources Over/ (Under) Expenditures and Other Financing (Uses)	(2,800,000)	(3,117,733)	(5,917,733)	65,107	5,982,840
Fund Balances, Beginning of Year	12,147,272	-	12,147,272	12,147,272	-
Fund Balances, End of Year	\$ 9,347,272	\$ (3,117,733)	\$ 6,229,539	\$ 12,212,379	\$ 5,982,840

ROSELLE PUBLIC SCHOOLS
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget To Actual</u>
<u>Recapitulation of Fund Balance:</u>					
Restricted					
Capital Reserve				\$ 3,500,986	
Maintenance Reserve				300,000	
Emergency Reserve				100,000	
Capital Financing Agreement Obligations				118,937	
Excess Surplus, Designated for Subsequent Year's Expenditures				1,848,098	
Excess Surplus - Current Year				1,417,100	
Committed					
Year End Encumbrances				233,546	
Assigned					
Year End Encumbrances				2,097,323	
Designated for Subsequent Year's Expenditures				251,902	
Unassigned					
				<u>2,344,487</u>	
				12,212,379	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Not Recognized on GAAP Basis (June 30, 2022)				<u>(3,581,889)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>8,630,490</u>	

**ROSELLE PUBLIC SCHOOLS
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
Local Sources		\$ 40,522	\$ 40,522	\$ 220,122	\$ 179,600
State Sources	\$ 636,405	81,934	718,339	1,238,175	519,836
Federal Sources	5,779,653	11,394,222	17,173,875	7,067,933	(10,105,942)
Total Revenues	<u>6,416,058</u>	<u>11,516,678</u>	<u>17,932,736</u>	<u>8,526,230</u>	<u>(9,406,506)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	1,056,964	1,323,392	2,380,356	1,380,531	999,825
Other Salaries for Instruction	247,942	455,000	702,942	247,942	455,000
Purchased Professional and Technical Services	7,318	1,567,383	1,574,701	250,087	1,324,614
Other Purchased Services	3,600	402,385	405,985	293,176	112,809
Tuition	783,049	83,838	866,887	496,056	370,831
General Supplies	25,603	1,583,248	1,608,851	730,174	878,677
Textbooks		30,550	30,550	30,080	470
Other Objects	6,820	148,749	155,569	48,717	106,852
Student Activities and Athletics (Non-Budget)	-	-	-	186,365	(186,365)
Total Instruction	<u>2,131,296</u>	<u>5,594,545</u>	<u>7,725,841</u>	<u>3,663,128</u>	<u>4,062,713</u>
Support Services					
Salaries		1,514,258	1,514,258	387,070	1,127,188
Salaries of Secretarial and Clerical Assistants	41,091		41,091	41,091	
Personal Svcs-Employee Benefits	4,811	615,181	619,992	5,058	614,934
Purchased Professional and Technical Services		1,963,427	1,963,427	465,878	1,497,549
Other Purchased Professional Services	239,965	(90,272)	149,693	131,810	17,883
Purchased Property Services		299,100	299,100	1,855	297,245
Cleaning, Repair and Maintenance		1,157,712	1,157,712	1,157,712	
Other Purchased Services	298,138	(21,259)	276,879	43,910	232,969
Contracted Services - Transportation	6,600	2,800	9,400	7,900	1,500
Travel	1,800	3,042	4,842	2,237	2,605
Supplies and Materials	654,325	1,374,134	2,028,459	775,271	1,253,188
Other Objects		30,100	30,100		30,100
Scholarship Awards (Non-Budget)	-	-	-	43,685	(43,685)
Total Support Services	<u>1,246,730</u>	<u>6,848,223</u>	<u>8,094,953</u>	<u>3,063,477</u>	<u>5,031,476</u>
Facilities Acquisition and Construction					
Instructional Equipment		229,297	229,297		229,297
Noninstructional Equipment	3,038,032	(1,155,387)	1,882,645	1,843,085	39,560
Total Facilities Acq. & Construction	<u>3,038,032</u>	<u>(926,090)</u>	<u>2,111,942</u>	<u>1,843,085</u>	<u>268,857</u>
Total Expenditures	<u>6,416,058</u>	<u>11,516,678</u>	<u>17,932,736</u>	<u>8,569,690</u>	<u>9,363,046</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(43,460)	(43,460)
Fund Balances, Beginning of Year	536,617	-	536,617	536,617	-
Fund Balances, End of Year	<u>\$ 536,617</u>	<u>\$ -</u>	<u>\$ 536,617</u>	<u>\$ 493,157</u>	<u>\$ (43,460)</u>
Recapitulation of Fund Balance:					
Restricted					
Student Activities				\$ 63,857	
Scholarships				429,300	
				493,157	
Reconciliation to Governmental Funds Statements (GAAP):					
Less: State Aid Not Recognized on GAAP Basis (June 30, 2022)				(63,641)	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 429,516</u>	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

**ROSELLE PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

The accounting records of the Special Revenue Fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General Fund</u>		<u>Special Revenue Fund</u>
Sources/Inflows of Resources			
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule	(C-1) \$ 70,590,425	(C-2)	\$ 8,526,230
Difference - Budget to GAAP			
Encumbrances for good and services ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the goods and services are received for financial reporting purposes.			
Prior Year Encumbrances			136,217
Current Year Encumbrances			(2,549,561)
State Aid payments recognized for GAAP Purposes not recognized for Budgetary statements. (June 30, 2022)	(3,581,889)		(63,641)
State Aid payments recognized for budgetary purposes not recognized for GAAP statements. (June 30, 2021)	<u>2,849,998</u>		<u>53,643</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>69,858,534</u>	(B-2)	\$ <u>6,102,888</u>
Uses/Outflows of Resources			
Actual amounts (budgetary basis) total expenditures from the budgetary comparison schedule	(C-1) \$ 73,596,827	(C-2)	\$ 8,569,690
Difference - Budget to GAAP			
Encumbrances for good and services ordered but not received are reported in the year the order is placed for budgetary purposes but in the year the goods and services are received for financial reporting purposes.			
Prior Year Encumbrances			136,217
Current Year Encumbrances	<u>-</u>		<u>(2,549,561)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>73,596,827</u>	(B-2)	\$ <u>6,156,346</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

PENSION AND OTHER POST-EMPLOYMENT BENEFITS INFORMATION

ROSELLE PUBLIC SCHOOLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 Public Employees Retirement System
 Last Nine Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's Proportion of the Net Position Liability (Asset)	.06604 %	.05799	0.6162% %	.05771 %	.05842 %	.05875 %	.05354 %	.05610 %	.05331 %
District's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 7,824,387</u>	<u>\$ 9,457,109</u>	<u>\$ 11,103,025</u>	<u>\$ 11,364,453</u>	<u>\$ 13,600,350</u>	<u>\$ 17,401,245</u>	<u>\$ 12,019,299</u>	<u>\$ 10,503,652</u>	<u>\$ 10,572,272</u>
District's Covered Payroll	<u>\$ 4,772,992</u>	<u>\$ 4,709,134</u>	<u>\$ 4,043,955</u>	<u>\$ 4,168,113</u>	<u>\$ 4,185,783</u>	<u>\$ 4,091,708</u>	<u>\$ 3,866,477</u>	<u>\$ 3,666,910</u>	<u>\$ 3,593,572</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	163.93%	200.82%	274.56%	272.65%	324.92%	425.28%	310.86%	286.44%	294.20%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

ROSELLE PUBLIC SCHOOLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Nine Fiscal Years

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 773,500	\$ 634,412	\$ 599,383	\$ 574,111	\$ 541,243	\$ 521,962	\$ 460,325	\$ 462,489	\$ 416,806
Contributions in Relation to the Contractually Required Contribution	<u>773,500</u>	<u>634,412</u>	<u>599,383</u>	<u>574,111</u>	<u>541,243</u>	<u>521,962</u>	<u>460,325</u>	<u>462,489</u>	<u>416,806</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll	<u>\$ 4,278,404</u>	<u>\$ 4,772,992</u>	<u>\$ 4,709,134</u>	<u>\$ 4,043,955</u>	<u>\$ 4,168,113</u>	<u>\$ 4,185,783</u>	<u>\$ 4,091,708</u>	<u>\$3,866,477</u>	<u>\$ 3,666,910</u>
Contributions as a Percentage of Covered Payroll	18.08%	13.29%	12.73%	14.20%	12.99%	12.47%	11.25%	11.96%	11.37%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

ROSELLE PUBLIC SCHOOLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Teachers Pension and Annuity Fund

Last Nine Fiscal Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 90,771,246</u>	<u>\$ 124,363,789</u>	<u>\$ 117,235,706</u>	<u>\$ 120,140,948</u>	<u>\$ 127,499,895</u>	<u>\$ 146,002,220</u>	<u>\$ 116,351,348</u>	<u>\$ 97,253,404</u>	<u>\$ 96,375,211</u>
Total	<u>\$ 90,771,246</u>	<u>\$ 124,363,789</u>	<u>\$ 117,235,706</u>	<u>\$ 120,140,948</u>	<u>\$ 127,499,895</u>	<u>\$ 146,002,220</u>	<u>\$ 116,351,348</u>	<u>\$ 97,253,404</u>	<u>\$ 96,375,211</u>
District's Covered Payroll	<u>\$ 21,279,670</u>	<u>\$ 22,864,034</u>	<u>\$ 22,370,118</u>	<u>\$ 20,388,048</u>	<u>\$ 19,165,381</u>	<u>\$ 19,304,235</u>	<u>\$ 19,000,141</u>	<u>\$ 18,394,861</u>	<u>\$ 18,234,585</u>
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**ROSELLE PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Change of Benefit Terms: None.

Change of Assumptions: Assumptions used in calculating the net pension liability and statutorily required employer contribution are presented in Note 4D.

ROSELLE PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF
TOTAL OPEB LIABILITY

Postemployment Health Benefit Plan

Last Five Fiscal Years*

	2022	2021	2020	2019	2018
Total OPEB Liability	\$ 110,370,653	\$ 64,810,586	\$ 70,762,769	\$ 84,600,491	\$ 90,835,533
Service Cost	6,900,484	3,636,323	3,290,368	3,719,265	4,482,833
Interest on Total OPEB Liability	2,525,782	2,363,316	2,828,855	3,129,436	2,689,867
Changes of Benefit Terms	(103,634)				
Differences Between Expected and Actual Experience	(20,498,105)	21,262,725	(11,107,219)	(10,739,266)	
Changes of Assumptions	96,059	20,160,926	966,331	(8,120,382)	(11,520,370)
Contribution from the Member	64,572	58,239	58,974	65,396	72,155
Gross Benefit Payments	(1,989,609)	(1,921,462)	(1,989,492)	(1,892,171)	(1,959,527)
Net Change in Total OPEB Liability	(13,004,451)	45,560,067	(5,952,183)	(13,837,722)	(6,235,042)
Total OPEB Liability - Beginning	110,370,653	64,810,586	70,762,769	84,600,491	90,835,533
Total OPEB Liability - Ending	<u>\$ 97,366,202</u>	<u>\$ 110,370,653</u>	<u>\$ 64,810,586</u>	<u>\$ 70,762,769</u>	<u>\$ 84,600,491</u>
District's Proportionate Share of OPEB Liability	\$0	\$0	\$0	\$0	\$0
State's Proportionate Share of OPEB Liability	97,366,202	110,370,653	64,810,586	70,762,769	84,600,491
Total OPEB Liability - Ending	<u>\$ 97,366,202</u>	<u>\$ 110,370,653</u>	<u>\$ 64,810,586</u>	<u>\$ 70,762,769</u>	<u>\$ 84,600,491</u>
District's Covered Payroll	<u>\$ 27,573,168</u>	<u>\$ 26,414,073</u>	<u>\$ 24,556,161</u>	<u>\$ 23,351,164</u>	<u>\$ 23,395,943</u>
District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%

Note: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**ROSELLE PUBLIC SCHOOLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Changes in Benefit Terms:

None.

Changes of Assumptions

Assumptions used in calculating the OPEB liability are presented in Note 4E.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

ROSELLE PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Sub-Total Brought Forward	Preschool Education Aid	Title I	Title II	Title III	Title IV	IDEA Basic	IDEA CCLC Supplemental	IDEA Preschool	Grand Total
REVENUES										
Intergovernmental										
State	\$ 601,770	\$ 636,405								\$ 1,238,175
Federal	5,497,381		\$ 496,940	\$ 92,744	\$ 82,178	\$ 26,540	\$ 832,704	\$ 19,086	\$ 20,360	7,067,933
Local	220,122	-	-	-	-	-	-	-	-	220,122
Total Revenues	\$ 6,319,273	\$ 636,405	\$ 496,940	\$ 92,744	\$ 82,178	\$ 26,540	\$ 832,704	\$ 19,086	\$ 20,360	\$ 8,526,230
EXPENDITURES										
Instruction										
Salaries of Teachers	621,874	298,138	276,002	55,375	78,520	10,473	21,063	19,086		1,380,531
Other Salaries for Instruction		247,942								247,942
Purchased Professional and Technical Services	230,327		14,760			5,000				250,087
Other Purchased Services	289,576	3,600								293,176
Tuition							496,056			496,056
General Supplies	626,097	25,603	15,351		2,704	4,388	40,617		15,414	730,174
Textbooks	30,080									30,080
Other Objects	25,000	6,820					11,951		4,946	48,717
Student Activities and Athletics	186,365	-	-	-	-	-	-	-	-	186,365
Total Instruction	2,009,319	582,103	306,113	55,375	81,224	19,861	569,687	19,086	20,360	3,663,128
Support Services										
Salaries	193,593		185,299	6,425	954	799				387,070
Salaries of Secretarial and Clerical Assistants		41,091								41,091
Personal Svcs-Employee Benefits	247	4,811								5,058
Purchased Professional and Technical Services	187,409		455	10,884		4,800	262,330			465,878
Other Purchased Professional Services	131,810									131,810
Purchased Property Services	1,000		855							1,855
Cleaning, Repair and Maintenance	1,157,712									1,157,712
Other Purchased Services	24,165		72	19,613			60			43,910
Contracted Services - Transportation	1,300	6,600								7,900
Travel	437	1,800								2,237
Supplies and Materials	768,971		4,146	447		1,080	627			775,271
Scholarship Awards	43,685	-	-	-	-	-	-	-	-	43,685
Total Support Services	2,510,329	54,302	190,827	37,369	954	6,679	263,017	-	-	3,063,477
Facilities Acquisition and Construction										
Noninstructional Equipment	1,843,085	-	-	-	-	-	-	-	-	1,843,085
Total Facilities Acq. & Construction	1,843,085	-	-	-	-	-	-	-	-	1,843,085
Total Expenditures	6,362,733	636,405	496,940	92,744	82,178	26,540	832,704	19,086	20,360	8,569,690
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,460)	-	-	-	-	-	-	-	-	(43,460)
Fund Balances, Beginning of Year	536,617	-	-	-	-	-	-	-	-	536,617
Fund Balances, End of Year	\$ 493,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,157

ROSELLE PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Sub-Total	CARES		CRRSA			ARP			Sub-Total
	Brought Forward	Emergency Relief Act	Addressing Learning Loss	ESSER II	Learning Acceleration	Mental Health	ESSER III	21st Century CCLC	Perkins Secondary	Carried Forward
REVENUES										
Intergovernmental										
State	\$ 601,770									\$ 601,770
Federal	138,918	\$ 108,578	\$ 127,664	\$ 2,119,049	\$ 96,570	\$ 9,000	\$ 2,291,503	\$ 602,788	\$ 3,311	5,497,381
Local	220,122	-	-	-	-	-	-	-	-	220,122
Total Revenues	\$ 960,810	\$ 108,578	\$ 127,664	\$ 2,119,049	\$ 96,570	\$ 9,000	\$ 2,291,503	\$ 602,788	\$ 3,311	\$ 6,319,273
EXPENDITURES										
Instruction										
Salaries of Teachers			109,056	104,069	96,570			312,179		621,874
Purchased Professional and Technical Services	14,500	5,628		136,599			16,500	57,100		230,327
Other Purchased Services	289,576									289,576
General Supplies	4,844	4,463	898	182,879			390,983	40,113	1,917	626,097
Textbooks	30,080									30,080
Other Objects								25,000		25,000
Student Activities and Athletics	186,365	-	-	-	-	-	-	-	-	186,365
Total Instruction	525,365	10,091	109,954	423,547	96,570	-	407,483	434,392	1,917	2,009,319
Support Services										
Salaries	3,231		5,710	16,479			15,919	152,254		193,593
Personal Svcs-Employee Benefits	247									247
Purchased Professional and Technical Services		13,988	12,000	56,059		9,000	81,362	15,000		187,409
Other Purchased Professional Services	131,810									131,810
Purchased Property Services							1,000			1,000
Cleaning, Repair and Maintenance				1,157,712						1,157,712
Other Purchased Services	15,053						7,013	705	1,394	24,165
Contracted Services - Transportation	1,300									1,300
Travel								437		437
Supplies and Materials	283,579	10,729		451,937			22,726			768,971
Scholarship Awards	43,685	-	-	-	-	-	-	-	-	43,685
Total Support Services	478,905	24,717	17,710	1,682,187	-	9,000	128,020	168,396	1,394	2,510,329
Facilities Acquisition and Construction										
Instructional Equipment	-									
Noninstructional Equipment	-	73,770	-	13,315	-	-	1,756,000	-	-	1,843,085
Total Facilities Acq. & Construction	-	73,770	-	13,315	-	-	1,756,000	-	-	1,843,085
Total Expenditures	1,004,270	108,578	127,664	2,119,049	96,570	9,000	2,291,503	602,788	3,311	6,362,733
Excess (Deficiency) of Revenues Over (Under) Expenditures	(43,460)	-	-	-	-	-	-	-	-	(43,460)
Fund Balances, Beginning of Year	536,617	-	-	-	-	-	-	-	-	536,617
Fund Balances, End of Year	\$ 493,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,157

ROSELLE PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	Sub-Total Brought Forward	Juvenile Justice Grant	Other COPS Grant	Other Local Grants	NJSIG Safety Grant	SDA Emergent and Capital Needs	Alyssa's Law Security Grant	Student Activities	Scholarships	Sub-Total Carried Forward
REVENUES										
Intergovernmental										
State	\$ 368,608					\$ 70,523	\$ 162,639			601,770
Federal		\$ 20,605	\$ 118,313							138,918
Local	-	-	-	\$ 7,544	\$ 25,988	-	-	\$ 163,018	\$ 23,572	220,122
Total Revenues	\$ 368,608	\$ 20,605	\$ 118,313	\$ 7,544	\$ 25,988	\$ 70,523	\$ 162,639	\$ 163,018	\$ 23,572	\$ 960,810
EXPENDITURES										
Instruction										
Purchased Professional and Technical Services		14,500								14,500
Other Purchased Services	262,188			1,400	25,988					289,576
General Supplies				4,844						4,844
Textbooks	30,080									30,080
Student Activities and Athletics	-							186,365		186,365
Total Instruction	292,268	14,500	-	6,244	25,988	-	-	186,365	-	525,365
Support Services										
Salaries		3,231								3,231
Personal Svcs-Employee Benefits		247								247
Other Purchased Professional Services	61,287					70,523				131,810
Other Purchased Services	15,053									15,053
Contracted Services - Transportation				1,300						1,300
Supplies and Materials		2,627	118,313				162,639			283,579
Scholarship Awards	-	-	-	-	-	-	-		43,685	43,685
Total Support Services	76,340	6,105	118,313	1,300	-	70,523	162,639	-	43,685	478,905
Total Expenditures	368,608	20,605	118,313	7,544	25,988	70,523	162,639	186,365	43,685	1,004,270
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	(23,347)	(20,113)	(43,460)
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	87,204	449,413	536,617
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,857	\$ 429,300	\$ 493,157

ROSELLE PUBLIC SCHOOLS
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	NJ Non-Public Aid				Chapter 192		Chapter 193			Sub-Total
	Textbook	Nursing	Technology	Security	Compensatory Education	ESL	Supplemental Instruction	Examination & Classification	Corrective Speech	Carried Forward
REVENUES										
Intergovernmental State	\$ 30,080	\$ 54,694	\$ 6,593	\$ 15,053	\$ 147,180	\$ 3,654	\$ 42,374	\$ 53,077	\$ 15,903	\$ 368,608
Total Revenues	\$ 30,080	\$ 54,694	\$ 6,593	\$ 15,053	\$ 147,180	\$ 3,654	\$ 42,374	\$ 53,077	\$ 15,903	\$ 368,608
EXPENDITURES										
Instruction										
Other Purchased Services					147,180	3,654	42,374	53,077	15,903	262,188
Textbooks	30,080	-	-	-	-	-	-	-	-	30,080
Total Instruction	30,080	-	-	-	147,180	3,654	42,374	53,077	15,903	292,268
Support Services										
Other Purchased Professional Services		\$ 54,694	\$ 6,593							61,287
Other Purchased Services				\$ 15,053						15,053
Total Support Services		54,694	6,593	15,053						76,340
Total Expenditures	30,080	54,694	6,593	15,053	147,180	3,654	42,374	53,077	15,903	368,608
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**ROSELLE PUBLIC SCHOOLS
SPECIAL REVENUE FUND
STATEMENT OF PRESCHOOL EDUCATION AID EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Modified Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
Instruction					
Salaries of Teachers		\$ 298,138	\$ 298,138	\$ 298,138	
Other Salaries for Instruction	\$ 247,942		247,942	247,942	
Other Purchased Services	3,600		3,600	3,600	
General Supplies	25,603		25,603	25,603	
Other Objects	6,820	-	6,820	6,820	-
Total Instruction	<u>283,965</u>	<u>298,138</u>	<u>582,103</u>	<u>582,103</u>	<u>-</u>
Support Services					
Salaries of Secretarial and Clerical Assistants	41,091		41,091	41,091	-
Personal Services - Employee Benefits	4,811		4,811	4,811	
Rentals	298,138	(298,138)			
Contracted Services - Transportation (Field Trips)	6,600		6,600	6,600	
Travel	1,800	-	1,800	1,800	-
Total Support Services	<u>352,440</u>	<u>(298,138)</u>	<u>54,302</u>	<u>54,302</u>	<u>-</u>
Total Expenditures	<u>\$ 636,405</u>	<u>\$ -</u>	<u>\$ 636,405</u>	<u>\$ 636,405</u>	<u>\$ -</u>

Calculation of Budget & Carryover

Total Revised 2021-22 Preschool Education Aid Allocation	\$ 636,405
Actual Preschool Education Aid Carryover (June 30, 2021)	
General Fund Contribution	-
Total Preschool Education Aid Funds Available for 2021-22 Budget	636,405
Less: 2021-22 Budgeted Preschool Education Aid (Including Prior year budgeted carryover)	636,405
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2022	-
Add: June 30, 2022 Unexpended Preschool Education Aid	-
2021-22 Carryover- Preschool Education Aid	\$ -
2021-22 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2022-23	\$ -

CAPITAL PROJECTS FUND

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

		<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Balance June 30, 2022</u>
			<u>Prior Years</u>	<u>Current Year</u>	
New Exterior Doors, Boiler, CCTV Security System - Dr. Charles C. Polk School	6/2/2010	\$ 236,808	\$ 63,453		\$ 173,355
Upgrade Electrical Services - Harrison Elementary School	6/2/2010	59,900	7,815		52,085
New Intercom and CCTV Security System - Wilday Middle School	6/2/2010	74,001	70,082		3,919
New Intercom and CCTV Security System - Washington Elementary School	6/2/2010	74,001	64,100		9,901
New Intercom and CCTV Security System - Leonard V. Moore Middle School	6/2/2010	74,001	56,564		17,437
Intercom PA System Replacement and New Security System - Harrison Elementary School	6/2/2010	162,804	63,597		99,207
Interior Door Replacement - Harrison Elementary School	5/23/2012	279,600			279,600
Brick Pointing, Power Cleaning, Lintel Replacement - Harrison Elementary School	5/23/2012	188,250	179,024		9,226
Electrical Service Upgrade - Dr. Charles C. Polk School	5/23/2012	604,200	604,200		
Brick Pointing, Power Cleaning, Lintel Replacement - Dr. Charles C. Polk School	5/23/2012	180,200	172,228		7,972
Brick Pointing, Power Cleaning, Lintel Replacement - Leonard V. Moore Middle School	5/23/2012	194,000	170,133		23,867
Windows and Exterior Door Replacement - Leonard V. Moore Middle School	5/23/2012	644,450	622,895		21,555
Windows and Exterior Door Replacement - Harrison Elementary School	5/23/2012	556,250	509,616		46,634
Windows and Exterior Door Replacement - Washington Elementary School	5/23/2012	547,473	527,436		20,037
Windows and Exterior Door Replacement - Wilday Middle School	5/23/2012	316,500	310,292		6,208
Door Replacement - Wilday Middle School	5/23/2012	230,400	14,250		216,150
Brick Pointing, Power Cleaning, Lintel Replacement - Abraham Clark High School	9/8/2016	154,000	82,488	\$ 62,012	9,500
Brick Pointing, Power Cleaning, Lintel Replacement - Washington Elementary School	9/8/2016	142,300	142,300		
Brick Pointing, Power Cleaning, Lintel Replacement - Wilday Middle School	9/8/2016	178,980	167,760		11,220
New HVAC, Associated Piping & Electrical - Abraham Clark High School	9/8/2016	3,041,351	758,204	115,717	2,167,430
Replacement of Domestic Water & Distribution Lines - Washington Elementary School	9/8/2016	489,653			489,653
New HVAC, Associated Piping & Electrical - Wilday Middle School	9/8/2016	2,560,165	376,864	18,613	2,164,688
Unbundled Project, Communications, Life Safety - Polk School	9/8/2016	83,895	-	-	83,895
		<u>\$ 11,073,182</u>	<u>\$ 4,963,301</u>	<u>\$ 196,342</u>	<u>\$ 5,913,539</u>

Recapitulation:

Restricted for Capital Projects	
Year End Encumbrances	\$ 10,300
Available for Capital Project Expenditures	<u>5,903,239</u>
Fund Balance (Budgetary Basis)	<u>\$ 5,913,539</u>

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Expenditures and Other Financing Uses**Construction Services**

Other Purchased Professional and Technical Services	\$ 24,493
Construction Services	<u>171,849</u>

Total Expenditures and Other Financing Uses	<u>196,342</u>
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Excess (Deficiency) of Revenues Over (Under) Expenditures	(196,342)
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Fund Balance- Beginning of Year	<u>6,109,881</u>
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Fund Balance- Ending of Year	<u><u>\$ 5,913,539</u></u>
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Recapitulation:

Restricted for Capital Projects

Year End Encumbrances	\$ 10,300
Available for Capital Project Expenditures	<u>5,903,239</u>

5,913,539

Reconciliation to Governmental Fund Statements (GAAP):

Unearned Revenue	<u>(3,588,478)</u>
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Fund Balance, GAAP Basis	<u><u>\$ 2,325,061</u></u>
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**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
NEW EXTERIOR DOORS, BOILER CCTV SECURITY SYSTEM - DR. CHARLES C. POLK SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 144,645		\$ 144,645	\$ 144,645
Transfer - Capital Outlay	33,507		33,507	33,507
Transfer - Capital Reserve	58,656	-	58,656	58,656
	<u>236,808</u>	<u>-</u>	<u>236,808</u>	<u>236,808</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,039		7,039	23,681
Construction Services	56,414	-	56,414	213,127
	<u>63,453</u>	<u>-</u>	<u>63,453</u>	<u>236,808</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 173,355</u>	<u>\$ -</u>	<u>\$ 173,355</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-030-009-1009			
Grant Date	06/02/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 236,808			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 236,808			
Percentage Increase(Decrease) Over Original				
Authorized Cost	N/A			
Percentage Completion	26.80%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
UPGRADE ELECTRICAL SERVICES - HARRISON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 36,587		\$ 36,587	\$ 36,587
Transfer - Capital Reserve	<u>23,313</u>	<u>-</u>	<u>23,313</u>	<u>23,313</u>
Total Revenues and Other Financing Sources	<u>59,900</u>	<u>-</u>	<u>59,900</u>	<u>59,900</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,815		7,815	5,990
Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,910</u>
Total Expenditures and Other Financing Uses	<u>7,815</u>	<u>-</u>	<u>7,815</u>	<u>59,900</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 52,085</u>	<u>\$ -</u>	<u>\$ 52,085</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-020-09-1002			
Grant Date	06/02/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 59,900			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 59,900			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	13.05%			
Original Target Completion Date				
Revised Target Completion Date				

ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
NEW INTERCOM AND CCTV SECURITY SYSTEM - WILDAY MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 45,201		\$ 45,201	\$ 45,201
Transfer - Capital Reserve	28,800	-	28,800	28,800
	<u>74,001</u>	<u>-</u>	<u>74,001</u>	<u>74,001</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	8,968		8,968	9,000
Construction Services	61,114	-	61,114	65,001
	<u>70,082</u>	<u>-</u>	<u>70,082</u>	<u>74,001</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 3,919</u>	<u>\$ -</u>	<u>\$ 3,919</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-060-09-1007			
Grant Date	06/02/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 74,001			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 74,001			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	94.70%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
NEW INTERCOM AND CCTV SECURITY SYSTEM - WASHINGTON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 45,201		\$ 45,201	\$ 45,201
Transfer - Capital Reserve	<u>28,800</u>	<u>-</u>	<u>28,800</u>	<u>28,800</u>
Total Revenues and Other Financing Sources	<u>74,001</u>	<u>-</u>	<u>74,001</u>	<u>74,001</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,039		7,039	7,400
Construction Services	<u>57,061</u>	<u>-</u>	<u>57,061</u>	<u>66,601</u>
Total Expenditures and Other Financing Uses	<u>64,100</u>	<u>-</u>	<u>64,100</u>	<u>74,001</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 9,901</u>	<u>\$ -</u>	<u>\$ 9,901</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-050-09-1010
Grant Date	06/02/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 74,001
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 74,001
Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	86.62%
Original Target Completion Date	
Revised Target Completion Date	

ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
NEW INTERCOM AND CCTV SECURITY SYSTEM - LEONARD V. MOORE MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 45,201		\$ 45,201	\$ 45,201
Transfer - Capital Reserve	<u>28,800</u>	<u>-</u>	<u>28,800</u>	<u>28,800</u>
Total Revenues and Other Financing Sources	<u>74,001</u>	<u>-</u>	<u>74,001</u>	<u>74,001</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,948		7,948	8,000
Construction Services	<u>48,616</u>	<u>-</u>	<u>48,616</u>	<u>66,001</u>
Total Expenditures and Other Financing Uses	<u>56,564</u>	<u>-</u>	<u>56,564</u>	<u>74,001</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 17,437</u>	<u>\$ -</u>	<u>\$ 17,437</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-040-09-1006			
Grant Date	06/02/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 74,001			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 74,001			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	76.44%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
INTERCOM PA SYSTEM REPLACEMENT AND NEW SECURITY SYSTEM-HARRISON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 99,442		\$ 99,442	\$ 99,442
Transfer - Capital Reserve	<u>63,362</u>	<u>-</u>	<u>63,362</u>	<u>63,362</u>
Total Revenues and Other Financing Sources	<u>162,804</u>	<u>-</u>	<u>162,804</u>	<u>162,804</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	7,039		7,039	16,280
Construction Services	<u>56,558</u>	<u>-</u>	<u>56,558</u>	<u>146,524</u>
Total Expenditures and Other Financing Uses	<u>63,597</u>	<u>-</u>	<u>63,597</u>	<u>162,804</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 99,207</u>	<u>\$ -</u>	<u>\$ 99,207</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-020-09-1008			
Grant Date	06/02/10			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 162,804			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 162,804			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	39.06%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
INTERIOR DOOR REPLACEMENT - HARRISON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 171,287		\$ 171,287	\$ 171,287
Transfer - Capital Reserve	<u>108,313</u>	<u>-</u>	<u>108,313</u>	<u>108,313</u>
Total Revenues and Other Financing Sources	<u>279,600</u>	<u>-</u>	<u>279,600</u>	<u>279,600</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	27,960
Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>251,640</u>
Total Expenditures and Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>279,600</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 279,600</u>	<u>\$ -</u>	<u>\$ 279,600</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-020-10-1002
Grant Date	5/23/12
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 279,600
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 279,600
Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	0.00%
Original Target Completion Date	
Revised Target Completion Date	

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT-HARRISON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 115,325		\$ 115,325	\$ 115,325
Transfer - Capital Reserve	<u>72,925</u>	<u>-</u>	<u>72,925</u>	<u>72,925</u>
Total Revenues and Other Financing Sources	<u>188,250</u>	<u>-</u>	<u>188,250</u>	<u>188,250</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	19,524		19,524	19,524
Construction Services	<u>159,500</u>	<u>-</u>	<u>159,500</u>	<u>168,726</u>
Total Expenditures and Other Financing Uses	<u>179,024</u>	<u>-</u>	<u>179,024</u>	<u>188,250</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 9,226</u>	<u>\$ -</u>	<u>\$ 9,226</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-020-10-1017			
Grant Date	5/23/12			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 188,250			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 188,250			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	95.10%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
ELECTRICAL SERVICE UPGRADE - DR. CHARLES C. POLK SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 370,142		\$ 370,142	\$ 370,142
Transfer - Capital Reserve	<u>234,058</u>	<u>-</u>	<u>234,058</u>	<u>234,058</u>
Total Revenues and Other Financing Sources	<u>604,200</u>	<u>-</u>	<u>604,200</u>	<u>604,200</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	75,000		75,000	75,000
Construction Services	<u>529,200</u>	<u>-</u>	<u>529,200</u>	<u>529,200</u>
Total Expenditures and Other Financing Uses	<u>604,200</u>	<u>-</u>	<u>604,200</u>	<u>604,200</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-030-10-1020
Grant Date	5/23/12
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 604,200
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 604,200

Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	
Revised Target Completion Date	

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - DR. CHARLES C. POLK SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 110,393		\$ 110,393	\$ 110,393
Transfer - Capital Reserve	<u>69,807</u>	<u>-</u>	<u>69,807</u>	<u>69,807</u>
Total Revenues and Other Financing Sources	<u>180,200</u>	<u>-</u>	<u>180,200</u>	<u>180,200</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	18,228		18,228	18,228
Construction Services	<u>154,000</u>	<u>-</u>	<u>154,000</u>	<u>161,972</u>
Total Expenditures and Other Financing Uses	<u>172,228</u>	<u>-</u>	<u>172,228</u>	<u>180,200</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 7,972</u>	<u>\$ -</u>	<u>\$ 7,972</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-030-10-1021
Grant Date	5/23/12
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 180,200
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 180,200

Percentage Increase(Decrease) Over Original

Authorized Cost	N/A
Percentage Completion	95.58%
Original Target Completion Date	
Revised Target Completion Date	

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - LEONARD V. MOORE MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 118,847		\$ 118,847	\$ 118,847
Transfer - Capital Reserve	<u>75,153</u>	<u>-</u>	<u>75,153</u>	<u>75,153</u>
Total Revenues and Other Financing Sources	<u>194,000</u>	<u>-</u>	<u>194,000</u>	<u>194,000</u>
Expenditures and Other Financing Uses				
Regular Instruction				
Purchased Professional and Technical Services	20,133		20,133	20,133
Construction Services	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>173,867</u>
Total Expenditures and Other Financing Uses	<u>170,133</u>	<u>-</u>	<u>170,133</u>	<u>194,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 23,867</u>	<u>\$ -</u>	<u>\$ 23,867</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-040-10-1022			
Grant Date	5/23/12			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 194,000			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 194,000			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	87.70%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
WINDOWS AND EXTERIOR DOOR REPLACEMENT - LEONARD V. MOORE MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 394,800		\$ 394,800	\$ 394,800
Transfer - Capital Outlay	<u>249,650</u>	<u>-</u>	<u>249,650</u>	<u>249,650</u>
Total Revenues and Other Financing Sources	<u>644,450</u>	<u>-</u>	<u>644,450</u>	<u>644,450</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	64,895		64,895	64,895
Construction Services	<u>558,000</u>	<u>-</u>	<u>558,000</u>	<u>579,555</u>
Total Expenditures and Other Financing Uses	<u>622,895</u>	<u>-</u>	<u>622,895</u>	<u>644,450</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 21,555</u>	<u>\$ -</u>	<u>\$ 21,555</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-040-10-1024
Grant Date	5/23/12
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 644,450
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 644,450
Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	96.66%
Original Target Completion Date	
Revised Target Completion Date	

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
WINDOWS AND EXTERIOR DOOR REPLACEMENT - HARRISON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 340,767		\$ 340,767	\$ 340,767
Transfer - Capital Outlay	215,483	-	215,483	215,483
	<u>556,250</u>	<u>-</u>	<u>556,250</u>	<u>556,250</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	69,616		69,616	69,616
Construction Services	440,000	-	440,000	486,634
	<u>509,616</u>	<u>-</u>	<u>509,616</u>	<u>556,250</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 46,634</u>	<u>\$ -</u>	<u>\$ 46,634</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-020-10-1018			
Grant Date	5/23/12			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 556,250			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 556,250			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	91.62%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
WINDOWS AND EXTERIOR DOOR REPLACEMENT - WASHINGTON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 335,390		\$ 335,390	\$ 335,390
Transfer - Capital Outlay	<u>212,083</u>	<u>-</u>	<u>212,083</u>	<u>212,083</u>
Total Revenues and Other Financing Sources	<u>547,473</u>	<u>-</u>	<u>547,473</u>	<u>547,473</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	52,436		52,436	54,747
Construction Services	<u>475,000</u>	<u>-</u>	<u>475,000</u>	<u>492,726</u>
Total Expenditures and Other Financing Uses	<u>527,436</u>	<u>-</u>	<u>527,436</u>	<u>547,473</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 20,037</u>	<u>\$ -</u>	<u>\$ 20,037</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-050-10-1025			
Grant Date	5/23/12			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 547,473			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 547,473			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	96.34%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
WINDOW AND EXTERIOR DOOR REPLACEMENT - WILDAY MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 193,893		\$ 193,893	\$ 193,893
Transfer - Capital Outlay	<u>122,607</u>	<u>-</u>	<u>122,607</u>	<u>122,607</u>
Total Revenues and Other Financing Sources	<u>316,500</u>	<u>-</u>	<u>316,500</u>	<u>316,500</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	35,292		35,292	35,292
Construction Services	<u>275,000</u>	<u>-</u>	<u>275,000</u>	<u>281,208</u>
Total Expenditures and Other Financing Uses	<u>310,292</u>	<u>-</u>	<u>310,292</u>	<u>316,500</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 6,208</u>	<u>\$ -</u>	<u>\$ 6,208</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-060-10-1028			
Grant Date	5/23/12			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 316,500			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 316,500			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	98.04%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
DOOR REPLACEMENT - WILDAY MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 141,146		\$ 141,146	\$ 141,146
Transfer - Capital Outlay	<u>89,254</u>	<u>-</u>	<u>89,254</u>	<u>89,254</u>
Total Revenues and Other Financing Sources	<u>230,400</u>	<u>-</u>	<u>230,400</u>	<u>230,400</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	6,180		6,180	23,040
Construction Services	<u>8,070</u>	<u>-</u>	<u>8,070</u>	<u>207,360</u>
Total Expenditures and Other Financing Uses	<u>14,250</u>	<u>-</u>	<u>14,250</u>	<u>230,400</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 216,150</u>	<u>\$ -</u>	<u>\$ 216,150</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-060-10-1028
Grant Date	5/23/12
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 316,500
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 316,500

Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	6.18%
Original Target Completion Date	
Revised Target Completion Date	

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - ABRAHAM CLARK HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 94,343		\$ 94,343	\$ 94,343
Transfer - Capital Reserve	<u>59,657</u>	<u>-</u>	<u>59,657</u>	<u>59,657</u>
Total Revenues and Other Financing Sources	<u>154,000</u>	<u>-</u>	<u>154,000</u>	<u>154,000</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	11,760	\$ 5,880	17,640	17,640
Construction Services	<u>70,728</u>	<u>56,132</u>	<u>126,860</u>	<u>136,360</u>
Total Expenditures and Other Financing Uses	<u>82,488</u>	<u>62,012</u>	<u>144,500</u>	<u>154,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 71,512</u>	<u>\$ (62,012)</u>	<u>\$ 9,500</u>	<u>\$ -</u>

Additional project information:

Project Number	4540-010-10-1016
Grant Date	09/08/16
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 154,000
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 154,000

Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	93.83%
Original Target Completion Date	
Revised Target Completion Date	

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - LEONARD V. MOORE MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 87,175		\$ 87,175	\$ 87,175
Transfer - Capital Outlay	55,125	-	55,125	55,125
	<u>142,300</u>	<u>-</u>	<u>142,300</u>	<u>142,300</u>
Expenditures and Other Financing Uses				
Regular Instruction				
Purchased Professional and Technical Services	14,230		14,230	14,230
Construction Services	128,070	-	128,070	128,070
	<u>142,300</u>	<u>-</u>	<u>142,300</u>	<u>142,300</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-010-10-1016			
Grant Date	09/08/16			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 142,300			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 142,300			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	100.00%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
BRICK POINTING, POWER CLEANING, LINTEL REPLACEMENT - WILDAY MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 109,646		\$ 109,646	\$ 109,646
Transfer - Capital Outlay	69,334	-	69,334	69,334
	<u>178,980</u>	<u>-</u>	<u>178,980</u>	<u>178,980</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	11,760		11,760	17,898
Construction Services	156,000	-	156,000	161,082
	<u>167,760</u>	<u>-</u>	<u>167,760</u>	<u>178,980</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 11,220</u>	<u>\$ -</u>	<u>\$ 11,220</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-060-10-1028			
Grant Date	09/08/16			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 178,980			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 178,980			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	93.73%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
NEW HVAC, ASSOCIATED PIPING & ELECTRICAL - ABRAHAM CLARK HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 1,805,881		\$ 1,805,881	\$ 1,805,881
Transfer - Capital Outlay	<u>1,235,470</u>	<u>-</u>	<u>1,235,470</u>	<u>1,235,470</u>
Total Revenues and Other Financing Sources	<u>3,041,351</u>	<u>-</u>	<u>3,041,351</u>	<u>3,041,351</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	55,839		55,839	304,135
Construction Services	<u>702,365</u>	<u>\$ 115,717</u>	<u>818,082</u>	<u>2,737,216</u>
Total Expenditures and Other Financing Uses	<u>758,204</u>	<u>115,717</u>	<u>873,921</u>	<u>3,041,351</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 2,283,147</u>	<u>\$ (115,717)</u>	<u>\$ 2,167,430</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-010-14-1006			
Grant Date	09/08/16			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 3,041,351			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 3,041,351			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	28.73%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
REPLACEMENT OF DOMESTIC WATER & DISTRIBUTION LINES - WASHINGTON ELEMENTARY SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 290,744		\$ 290,744	\$ 290,744
Transfer - Capital Reserve	198,909	-	198,909	198,909
	<u>489,653</u>	<u>-</u>	<u>489,653</u>	<u>489,653</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	48,965
Construction Services	-	-	-	440,688
	<u>-</u>	<u>-</u>	<u>-</u>	<u>489,653</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				
	<u>\$ 489,653</u>	<u>\$ -</u>	<u>\$ 489,653</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-050-14-1013			
Grant Date	09/08/16			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 489,653			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 489,653			
Percentage Increase(Decrease) Over Original				
Authorized Cost	N/A			
Percentage Completion	0.00%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
NEW HVAC, ASSOCIATED PIPING & ELECTRICAL - WILDAY MIDDLE SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 1,520,165		\$ 1,520,165	\$ 1,520,165
Transfer - Capital Outlay	<u>1,040,000</u>	<u>-</u>	<u>1,040,000</u>	<u>1,040,000</u>
Total Revenues and Other Financing Sources	<u>2,560,165</u>	<u>-</u>	<u>2,560,165</u>	<u>2,560,165</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services		\$ 18,613	18,613	256,016
Construction Services	<u>376,864</u>	<u>-</u>	<u>376,864</u>	<u>2,304,149</u>
Total Expenditures and Other Financing Uses	<u>376,864</u>	<u>18,613</u>	<u>395,477</u>	<u>2,560,165</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ 2,183,301</u>	<u>\$ (18,613)</u>	<u>\$ 2,164,688</u>	<u>\$ -</u>
Additional project information:				
Project Number	4540-060-14-1015			
Grant Date	09/08/16			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 2,560,165			
Additional Authorized Cost	N/A			
Revised Authorized Cost	\$ 2,560,165			
Percentage Increase(Decrease) Over Original Authorized Cost	N/A			
Percentage Completion	15.45%			
Original Target Completion Date				
Revised Target Completion Date				

**ROSELLE PUBLIC SCHOOLS
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
UNBUNDLED PROJECT, COMMUNICATIONS, LIFE SAFETY - POLK SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources- SDA Grant	\$ 49,815		\$ 49,815	\$ 49,815
Transfer - Capital Outlay	<u>34,080</u>	<u>-</u>	<u>34,080</u>	<u>34,080</u>
 Total Revenues and Other Financing Sources	 <u>83,895</u>	 <u>-</u>	 <u>83,895</u>	 <u>83,895</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services			-	8390
Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,505</u>
 Total Expenditures and Other Financing Uses	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>83,895</u>
 Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	 <u>\$ 83,895</u>	 <u>\$ -</u>	 <u>\$ 83,895</u>	 <u>\$ -</u>

Additional project information:

Project Number	4540-030-14-1009
Grant Date	09/08/16
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 83,895
Additional Authorized Cost	N/A
Revised Authorized Cost	\$ 83,895
Percentage Increase(Decrease) Over Original Authorized Cost	N/A
Percentage Completion	0.00%
Original Target Completion Date	
Revised Target Completion Date	

PROPRIETARY FUNDS

ENTERPRISE FUND

**ROSELLE PUBLIC SCHOOLS
 ENTEPRISE FUND - NON - MAJOR
 COMBINING STATEMENT OF NET POSITION
 AS OF JUNE 30, 2022**

	<u>Student Laptop Insurance</u>	<u>Community School</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 17,260	\$ 3,304	\$ 20,564
Total Assets	<u>17,260</u>	<u>3,304</u>	<u>20,564</u>
NET POSITION			
Unrestricted	<u>17,260</u>	<u>3,304</u>	<u>20,564</u>
Total Net Position	<u>\$ 17,260</u>	<u>\$ 3,304</u>	<u>\$ 20,564</u>

ROSELLE PUBLIC SCHOOLS
ENTERPRISE FUND - NON-MAJOR
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Student Laptop Insurance</u>	<u>Community School</u>	<u>Total</u>
OPERATING REVENUES			
Charges for Services			
Program Fees	\$ 17,260	-	\$ 17,260
Total Operating Revenues	17,260	-	17,260
Change in Net Position	17,260	-	17,260
Net Position, Beginning of Year	-	\$ 3,304	3,304
Net Position, End of Year	\$ 17,260	\$ 3,304	\$ 20,564

**ROSELLE PUBLIC SCHOOLS
ENTERPRISE FUND - NON-MAJOR
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	Student Laptop Insurance	Community School	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 17,260	-	\$ 17,260
Net Cash Provided by Operating Activities	17,260	-	17,260
Net Increase in Cash and Cash Equivalents	17,260	-	17,260
Cash and Cash Equivalents—Beginning of Year	-	\$ 3,304	3,304
Cash and Cash Equivalents—End of Year	\$ 17,260	\$ 3,304	\$ 20,564
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:			
Operating Income	\$ 17,260	\$ -	\$ 17,260
Net Cash Provided by Operating Activities	\$ 17,260	\$ -	\$ 17,260

FIDUCIARY FUNDS
(Not Applicable)

LONG-TERM DEBT

ROSELLE PUBLIC SCHOOLS
LONG-TERM DEBT GROUP
SCHEDULE OF PAYABLE BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

NOT APPLICABLE

**ROSELLE PUBLIC SCHOOLS
LONG-TERM DEBT
SCHEDULE OF LEASES PAYABLE AND OBLIGATIONS UNDER CAPITAL FINANCING AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Description</u>	<u>Amount of Original issue</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Balance, July 1, 2021</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance, June 30, 2022</u>
<u>Leases Payable</u>							
Building Premises - 108 Chestnut St.	\$ 165,750	4/1/2021	3.25%	-	\$ 165,750	\$ 39,000	\$ 126,750
Building Premises - St. Joseph, the Carpenter Church	970,000	7/1/2021	3.25%	-	970,000	306,390	663,610
				<u>\$ -</u>	<u>\$ 1,135,750</u>	<u>\$ 345,390</u>	<u>\$ 790,360</u>
<u>Capital Financing Agreements</u>							
Temporary Classroom Units, Athletic Field Lighting and Security Cameras	\$ 2,075,000	3/26/2021	1.0981%	<u>\$ 139,241</u>	<u>\$ 1,935,759</u>	<u>\$ 417,114</u>	<u>\$ 1,657,886</u>

**ROSELLE PUBLIC SCHOOLS
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOT APPLICABLE

STATISTICAL SECTION

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

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

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

ROSELLE PUBLIC SCHOOLS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 13,973,394	\$ 15,762,535	\$ 16,816,183	\$ 16,645,286	\$ 16,869,081	\$ 17,360,986	\$ 16,615,561	\$ 16,292,705	\$ 15,168,419	\$ 15,654,521
Restricted	9,134,105	11,347,926	13,220,800	12,542,446	11,971,752	10,545,071	7,693,001	7,535,600	10,037,924	6,738,141
Unrestricted (Deficit)	<u>1,174,472</u>	<u>(280,004)</u>	<u>(12,213,462)</u>	<u>(12,231,232)</u>	<u>(13,491,920)</u>	<u>(14,048,373)</u>	<u>(10,762,250)</u>	<u>(11,424,696)</u>	<u>(10,860,033)</u>	<u>(7,090,612)</u>
Total Governmental Activities Net Position	<u>\$ 24,281,971</u>	<u>\$ 26,830,457</u>	<u>\$ 17,823,521</u>	<u>\$ 16,956,500</u>	<u>\$ 15,348,913</u>	<u>\$ 13,857,684</u>	<u>\$ 13,546,312</u>	<u>\$ 12,403,609</u>	<u>\$ 14,346,310</u>	<u>\$ 15,302,050</u>
Business-Type Activities										
Net Investment in Capital Assets	\$ 136,512	\$ 119,904	\$ 100,784	\$ 95,460	\$ 82,349	\$ 77,049	\$ 176,452	\$ 159,870	\$ 83,922	\$ 68,950
Unrestricted	<u>72,750</u>	<u>117,134</u>	<u>236,097</u>	<u>258,184</u>	<u>252,157</u>	<u>111,499</u>	<u>127,653</u>	<u>91,004</u>	<u>753,753</u>	<u>974,303</u>
Total Business-Type Activities Net Position	<u>\$ 209,262</u>	<u>\$ 237,038</u>	<u>\$ 336,881</u>	<u>\$ 353,644</u>	<u>\$ 334,506</u>	<u>\$ 188,548</u>	<u>\$ 304,105</u>	<u>\$ 250,874</u>	<u>\$ 837,675</u>	<u>\$ 1,043,253</u>
District-Wide										
Net Investment in Capital Assets	\$ 14,109,906	\$ 15,882,439	\$ 16,916,967	\$ 16,740,746	\$ 16,951,430	\$ 17,438,035	\$ 16,792,013	\$ 16,452,575	\$ 15,252,341	\$ 15,723,471
Restricted	9,134,105	11,347,926	13,220,800	12,542,446	11,971,752	10,545,071	7,693,001	7,535,600	10,037,924	6,738,141
Unrestricted (Deficit)	<u>1,247,222</u>	<u>(162,870)</u>	<u>(11,977,365)</u>	<u>(11,973,048)</u>	<u>(13,239,763)</u>	<u>(13,936,874)</u>	<u>(10,634,597)</u>	<u>(11,333,692)</u>	<u>(10,106,280)</u>	<u>(6,116,309)</u>
Total District Net Position	<u>\$ 24,491,233</u>	<u>\$ 27,067,495</u>	<u>\$ 18,160,402</u>	<u>\$ 17,310,144</u>	<u>\$ 15,683,419</u>	<u>\$ 14,046,232</u>	<u>\$ 13,850,417</u>	<u>\$ 12,654,483</u>	<u>\$ 15,183,985</u>	<u>\$ 16,345,303</u>

Source: District financial statements

Note 1 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Note 2 - Net Position at June 30, 2018 is restated to reflect unrecorded capital lease.

Note 3 - Net Position at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

ROSELLE PUBLIC SCHOOLS
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (Unaudited)
 (accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 20,710,786	\$ 18,677,796	\$ 21,030,022	\$ 24,305,361	\$ 25,080,004	\$ 27,433,759	\$ 25,372,681	\$ 24,425,184	\$ 28,477,434	\$ 29,237,959
Special Education	5,602,302	10,338,622	14,658,676	13,512,203	14,553,584	15,264,952	13,408,385	12,697,601	15,720,142	8,409,768
Other Instruction	4,392,570	4,423,657	1,306,955	2,548,511	1,570,721	1,667,358	1,859,854	2,127,006	1,143,532	5,843,974
School Sponsored Activities And Athletics										760,022
Support Services:										
Tuition	3,677,777									
Student & Instruction Related Services	7,437,973	7,683,565	7,896,825	7,490,245	10,829,949	10,033,868	10,558,093	10,758,308	13,277,157	11,408,015
General Administrative Services	834,281	944,977	1,030,704	1,125,697	1,330,761	1,445,867	1,610,635	1,504,264	1,603,483	1,475,416
School Administrative Services	2,736,811	2,738,963	3,504,183	4,501,958	4,149,401	4,397,918	3,646,104	3,593,536	4,119,892	4,671,378
Business/Central/Info Technology	1,383,785	1,417,373	1,053,939	1,035,429	2,646,513	1,466,839	1,371,087	1,257,742	925,927	633,571
Plant Operations And Maintenance	4,127,896	4,899,561	5,308,243	5,679,994	5,764,273	6,526,363	6,113,165	6,336,539	5,997,316	9,352,907
Pupil Transportation	1,517,366	1,283,435	1,341,093	1,264,862	1,327,647	1,306,426	1,983,842	1,586,820	1,666,935	2,405,290
Debt Service										57,748
Special Schools	6,464	8,160	8,400	8,568	8,568	6,420	7,552	7,410	6,442	
Charter Schools	242,668	314,006	571,639	507,589	579,708	665,288	566,281	417,018	526,215	-
Total Governmental Activities Expenses	52,670,679	52,730,115	57,710,679	61,980,417	67,841,129	70,215,058	66,497,679	64,711,428	73,464,475	74,256,048
Business-Type Activities:										
Food Service	1,727,783	1,720,789	1,796,086	1,898,086	1,916,336	2,043,989	2,025,961	1,726,439	1,057,024	3,027,391
Other	-	1,394	263	2,183	2,172	-	-	225	7	-
Total Business-Type Activities Expense	1,727,783	1,722,183	1,796,349	1,900,269	1,918,508	2,043,989	2,025,961	1,726,664	1,057,031	3,027,391
Total District Expenses	\$ 54,398,462	\$ 54,452,298	\$ 59,507,028	\$ 63,880,686	\$ 69,759,637	\$ 72,259,047	\$ 68,523,640	\$ 66,438,092	\$ 74,521,506	\$ 77,283,439
Program Revenues										
Governmental Activities:										
Charges For Services										244,395
Operating Grants And Contributions	\$ 7,435,864	\$ 6,851,481	11,022,018	12,869,607	17,751,725	19,252,406	15,995,563	11,303,070	22,110,134	20,090,407
Capital Grants And Contributions	2,066,175	-	-	-	-	-	-	-	-	568,163
Total Governmental Activities Program Revenues	9,502,039	6,851,481	11,022,018	12,869,607	17,751,725	19,252,406	15,995,563	11,303,070	22,110,134	20,902,965
Business-Type Activities:										
Charges For Services										
Food Service	\$ 297,028	\$ 324,519	\$ 360,951	\$ 351,978	\$ 328,817	\$ 405,496	\$ 405,919	\$ 308,251	\$ 6,109	\$ 105,629
Other	200	1,145	1,675	848	1,920	75	1,993	1,452	7	17,260
Operating Grants And Contributions	1,339,656	1,424,292	1,483,989	1,564,206	1,568,635	1,492,460	1,648,024	1,363,731	1,697,082	3,109,575
Total Business Type Activities Program Revenues	1,636,884	1,749,956	1,846,615	1,917,032	1,899,372	1,898,031	2,055,936	1,673,434	1,703,198	3,232,464
Total District Program Revenues	\$ 11,138,923	\$ 8,601,437	\$ 12,868,633	\$ 14,786,639	\$ 19,651,097	\$ 21,150,437	\$ 18,051,499	\$ 12,976,504	\$ 23,813,332	\$ 24,135,429

**ROSELLE PUBLIC SCHOOLS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)**

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental Activities	\$ (43,168,640)	\$ (45,878,634)	\$ (46,688,661)	\$ (49,110,810)	\$ (50,089,404)	\$ (50,962,652)	\$ (50,502,116)	\$ (53,408,358)	\$ (51,354,341)	\$ (53,353,083)
Business-Type Activities	(90,899)	27,774	50,266	16,763	(19,136)	(145,958)	29,975	(53,230)	646,167	205,073
Total District-Wide Net Expense	<u>\$ (43,259,539)</u>	<u>\$ (45,850,860)</u>	<u>\$ (46,638,395)</u>	<u>\$ (49,094,047)</u>	<u>\$ (50,108,540)</u>	<u>\$ (51,108,610)</u>	<u>\$ (50,472,141)</u>	<u>\$ (53,461,588)</u>	<u>\$ (50,708,174)</u>	<u>\$ (53,148,010)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied For General Purposes, Net	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,907,576	\$ 21,907,576	\$ 24,027,114	\$ 24,147,250	\$ 24,630,195	\$ 25,122,799	\$ 25,265,871
Federal and State Aid - Unrestricted	23,950,097	24,916,230	24,509,748	24,092,526	24,238,259	24,903,124	25,769,748	28,049,297	29,100,277	28,814,129
Miscellaneous Income	714,458	72,089	305,452	243,686	335,984	541,183	185,384	229,001	258,831	228,823
Other Sources (Uses)	-	-	-	-	-	-	-	(642,837)	-	-
Total Governmental Activities	<u>48,103,355</u>	<u>48,427,119</u>	<u>48,254,000</u>	<u>48,243,788</u>	<u>46,481,819</u>	<u>49,471,421</u>	<u>50,102,382</u>	<u>52,265,656</u>	<u>54,481,907</u>	<u>54,308,823</u>
Business-Type Activities:										
Miscellaneous Income	-	-	-	-	-	-	-	-	-	505
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>505</u>
Total District-Wide	<u>\$ 48,103,355</u>	<u>\$ 48,427,119</u>	<u>\$ 48,254,000</u>	<u>\$ 48,243,788</u>	<u>\$ 46,481,819</u>	<u>\$ 49,471,421</u>	<u>\$ 50,102,382</u>	<u>\$ 52,265,656</u>	<u>\$ 54,481,907</u>	<u>\$ 54,309,328</u>
Change in Net Position										
Governmental Activities	\$ 4,934,715	\$ 2,548,485	\$ 1,565,339	\$ (867,022)	\$ (3,607,585)	\$ (1,491,231)	\$ (399,734)	\$ (1,142,702)	\$ 3,127,566	\$ 955,740
Business-Type Activities	(90,899)	27,774	50,266	16,763	(19,136)	(145,958)	29,975	(53,230)	646,167	205,578
Total District	<u>\$ 4,843,816</u>	<u>\$ 2,576,259</u>	<u>\$ 1,615,605</u>	<u>\$ (850,259)</u>	<u>\$ (3,626,721)</u>	<u>\$ (1,637,189)</u>	<u>\$ (369,759)</u>	<u>\$ (1,195,932)</u>	<u>\$ 3,773,733</u>	<u>\$ 1,161,318</u>

Source: District financial statements

ROSELLE PUBLIC SCHOOLS
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Unassigned							\$ 990,565	\$ 1,088,036		\$ (1,237,402)
Restricted	\$ 7,124,610	\$ 9,963,246	\$ 12,083,847	\$ 11,405,493	\$ 10,834,800	\$ 6,928,031	4,319,542	4,450,986	\$ 7,568,525	7,285,121
Committed										233,546
Assigned	<u>2,398,753</u>	<u>1,047,417</u>	<u>73,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,435,613</u>	<u>1,055,278</u>	<u>1,728,749</u>	<u>2,349,225</u>
Total General Fund	\$ <u>9,523,363</u>	\$ <u>11,010,663</u>	\$ <u>12,157,108</u>	\$ <u>11,405,493</u>	\$ <u>10,834,800</u>	\$ <u>6,928,031</u>	\$ <u>7,745,720</u>	\$ <u>6,594,300</u>	\$ <u>9,297,274</u>	\$ <u>8,630,490</u>
All Other Governmental Funds										
Restricted	\$ 2,009,495	\$ 1,384,680	\$ 1,136,953	\$ 1,136,953	\$ 1,136,953	\$ 3,617,040	\$ 3,373,459	\$ 3,084,614	\$ 2,881,973	\$ 2,818,218
Assigned									176,047	
Unassigned (Deficit)	<u>(49,905)</u>	<u>(71,707)</u>	<u>(58,050)</u>	<u>(49,512)</u>	<u>(49,512)</u>	<u>(56,341)</u>	<u>(68,925)</u>	<u>(50,988)</u>	<u>(53,643)</u>	<u>(63,641)</u>
Total All Other Governmental Funds	\$ <u>1,959,590</u>	\$ <u>1,312,973</u>	\$ <u>1,078,903</u>	\$ <u>1,087,441</u>	\$ <u>1,087,441</u>	\$ <u>3,560,699</u>	\$ <u>3,304,534</u>	\$ <u>3,033,626</u>	\$ <u>3,004,377</u>	\$ <u>2,754,577</u>

Sources: District financial statements

Note 3 - Fund Balance at June 30, 2020 is restated to reflect the implementation of GASB Statement No. 84, "Fiduciary Activities".

ROSELLE PUBLIC SCHOOLS
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Tax Levy	\$ 23,438,800	\$ 23,438,800	\$ 23,438,800	\$ 23,907,576	\$ 23,907,576	\$ 24,027,114	\$ 24,147,250	\$ 24,630,195	\$ 25,122,799	\$ 25,265,871
Miscellaneous	721,948	78,367	329,670	259,193	358,623	581,493	226,028	229,001	387,848	530,322
State Sources	30,933,989	29,473,981	29,307,336	29,809,705	30,371,365	31,816,819	33,810,593	36,300,138	39,727,464	45,276,963
Federal Sources	2,510,657	2,287,451	1,962,309	1,518,584	2,752,980	2,127,797	2,818,725	2,509,078	4,437,664	4,888,266
Total Revenue	57,605,394	55,278,599	55,038,115	55,495,058	57,390,544	58,553,223	61,002,596	63,668,412	69,675,775	75,961,422
Expenditures										
Instruction										
Regular Instruction	15,023,941	12,798,560	12,703,885	13,538,176	13,110,286	14,036,772	13,977,665	15,481,451	15,065,274	30,490,611
Special Education Instruction	3,738,910	5,907,731	8,500,552	8,318,940	8,488,695	8,384,455	8,253,592	8,625,615	10,045,552	8,708,366
Other Instruction	2,981,107	3,047,283	859,816	851,764	899,638	914,192	998,047	1,295,308	548,669	6,100,241
School Sponsored Co-Curricular Activities										760,261
Support Services:										
Tuition	3,677,777	3,100,461	2,379,327	2,090,397	1,418,351	1,867,143	1,446,571	753,446	738,865	
Student and Inst. Related Services	5,793,583	6,116,953	5,681,260	6,211,431	7,293,275	6,629,141	7,439,909	8,152,026	9,150,093	11,503,546
General Administration	678,581	803,956	810,774	901,205	1,062,353	1,183,880	1,238,943	1,171,595	1,128,010	1,626,562
School Administrative Services	1,837,954	1,873,223	2,091,689	2,459,437	2,121,870	2,206,945	1,897,517	2,141,033	2,014,310	4,769,279
Central Services	961,194	1,004,651	699,128	793,449	830,162	1,015,168	845,528	849,655	466,518	633,386
Plant Operations And Maintenance	4,398,550	3,902,364	4,197,051	4,335,767	4,255,873	4,764,537	5,282,270	5,720,236	5,057,574	7,419,908
Pupil Transportation	1,492,649	1,283,435	1,341,093	1,264,862	1,327,647	1,322,172	1,863,306	1,460,684	1,527,468	2,405,410
Unallocated Employee Benefits	12,116,971	11,748,989	12,426,983	14,280,274	15,497,184	15,614,986	16,053,803	17,295,157	19,256,359	
Special Schools	6,373	8,160	8,400	8,568	8,568	6,420	7,552	7,410	6,442	
Charter Schools	242,668	314,006	571,639	507,589	579,708	665,288	566,281	417,018	526,215	
Capital Outlay	3,373,848	2,528,146	1,854,143	677,982	1,065,918	1,855,710	517,084	1,087,267	2,168,760	4,727,623
Debt Service	-	-	-	-	-	-	-	-	-	804,322
Total Expenditures	56,324,106	54,437,918	54,125,740	56,239,841	57,959,528	60,466,809	60,390,068	64,457,901	67,700,109	79,949,515
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	1,281,288	840,681	912,375	(744,783)	(568,984)	(1,913,586)	612,528	(789,489)	1,975,666	(3,988,093)
Other Financing Sources (Uses)										
Capital Leases (Non-Budgeted)						480,075			139,241	3,071,509
SDA Grants Cancelled							(41,003)			
Transfers In						2,692,575	202,578	288,845		
Transfers Out						(2,692,575)	(202,578)	(288,845)		
Other Charges								(642,837)		
Total Other Financing Sources (Uses)	-	-	-	-	-	480,075	(41,003)	(642,837)	139,241	3,071,509
Net Change in Fund Balances	\$ 1,281,288	\$ 840,681	\$ 912,375	\$ (744,783)	\$ (568,984)	\$ (1,433,511)	\$ 571,525	\$ (1,432,326)	\$ 2,114,907	\$ (916,584)
Debt Service as a Percentage of										
Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.08%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District financial statements

ROSELLE PUBLIC SCHOOLS
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Interest Earned	Tuition	E-Rate Reimbursement	Cancelled Prior Year Liability	Miscellaneous	Total
2013	\$ 6,134				\$ 708,324	\$ 714,458
2014	8,180				63,909	72,089
2015	10,247		\$ 266,374		28,831	305,452
2016	10,632				233,054	243,686
2017	61,032		188,423		86,530	335,985
2018	15,583		502,411		23,190	541,184
2019	54,283		142,178		2,286	198,747
2020	89,698		58,462		80,842	229,002
2021	29,593				229,238	258,831
2022	20,980	\$ 81,377		\$ 167,895	39,948	310,200

Source: District financial statements

ROSELLE PUBLIC SCHOOLS
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

Fiscal Year Ended June 30,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^a
2013	\$ 3,640,900	\$ 613,088,878	\$ 76,313,040	\$ 34,917,800	\$ 42,930,000	\$ 770,890,618	\$ 2,856,193	\$ 773,746,811	\$ 1,494,780,867	\$ 3.030
2014	2,989,900	613,320,200	74,365,600	34,753,200	43,693,000	769,121,900	2,815,295	771,937,195	1,294,662,057	3.037
2015	2,939,900	611,767,400	75,576,200	33,996,900	43,693,000	767,973,400	2,565,760	770,539,160	1,346,044,256	3.103
2016	3,608,800	610,679,250	78,490,000	34,392,000	43,482,100	770,652,150	2,738,632	773,390,782	1,340,490,895	3.061
2017	3,652,600	611,045,381	77,323,500	33,167,700	43,390,200	768,579,381	2,762,084	771,341,465	1,358,638,339	3.108
2018	4,575,400	612,676,938	74,149,000	32,725,000	43,390,200	767,516,538	2,756,024	770,272,562	1,352,003,146	3.135
2019	3,921,900	617,969,105	70,390,600	32,539,700	47,634,100	772,455,405	2,771,719	775,227,124	1,372,502,828	3.178
2020	4,090,800	626,938,448	74,354,700	32,040,200	43,557,700	780,981,848	2,563,595	783,545,443	1,579,878,202	3.207
2021	7,285,100	631,539,955	74,089,700	32,040,200	44,808,700	789,763,655	2,575,191	792,338,846	1,704,690,882	3.189
2022	7,178,400	635,787,460	80,080,800	32,040,200	44,808,700	799,895,560	2,303,688	802,199,248	1,943,654,398	3.189

Source: County Abstract of Ratables

^a Tax rates are per \$100

**ROSELLE PUBLIC SCHOOLS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

<u>Calendar Year</u>	<u>Total Direct and Overlapping Rate</u>	<u>Roselle Board of Education</u>	<u>Overlapping Rates</u>	
			<u>Roselle Borough</u>	<u>Union County</u>
2013	\$ 7.713	\$ 3.030	\$ 3.816	0.867
2014	7.871	3.037	3.985	0.849
2015	7.993	3.103	3.985	0.905
2016	8.078	3.061	4.089	0.928
2017	8.260	3.108	4.210	0.942
2018	8.304	3.135	4.223	0.946
2019	8.350	3.178	4.232	0.940
2020	8.458	3.207	4.238	1.013
2021	8.485	3.189	4.243	1.053
2022	8.536	3.189	4.252	1.095

(1) Includes Library

Source: Tax Duplicate, Borough of Roselle

**ROSELLE PUBLIC SCHOOLS
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

2022		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
ICCL Urban Renewal LLC	\$ 8,997,300	1.12%
Warren J Lockwood Village	7,159,500	0.89%
Roselle Senior Citizens Housing	4,104,000	0.51%
WEC 2000A-23, LLC	3,083,000	0.38%
O.T. Group	3,000,000	0.37%
Rainbow Gardents Associates	2,350,000	0.29%
Verizon - NJ Tax Dept	2,320,413	0.29%
Roselle Shopping Center Inc.	2,287,900	0.29%
Roselle Equities, LLC d/b/a Rite Aid	2,179,600	0.27%
Woodlake Liquors Inc.	2,066,000	0.26%
	<u>\$ 37,547,713</u>	<u>4.68%</u>

2013		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Related Management Co. LP	\$ 9,298,700	1.20%
Warren J. Lockwood Village	7,159,500	0.93%
Roselle Shopping Center	6,024,200	0.78%
Roselle Golf Club	4,243,900	0.55%
Bell Atlantic	3,218,842	0.42%
O.T. Group	3,000,000	0.39%
Rainbow Gardens	2,350,000	0.30%
Roselle 3 Equities, LLC % Eckerd	2,179,600	0.28%
Lincoln Mold Realty Co.	2,007,600	0.26%
WEC 2000A-23 LLC % CVS	2,000,000	0.26%
	<u>\$ 41,482,342</u>	<u>5.36%</u>

Source: Municipal Tax Assessor

ROSELLE PUBLIC SCHOOLS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2013	\$ 23,438,800	\$ 21,563,696	92.00%	\$ 1,875,104
2014	23,438,800	21,563,696	92.00%	1,875,104
2015	23,438,800	21,563,696	92.00%	1,875,104
2016	23,907,576	21,873,278	91.49%	2,034,298
2017	23,907,576	21,994,969	92.00%	1,912,607
2018	24,027,114	20,180,384	83.99%	3,846,730
2019	24,147,250	24,147,250	100.00%	N/A
2020	24,630,195	24,630,195	100.00%	N/A
2021	25,122,799	25,122,799	100.00%	N/A
2022	25,265,871	25,265,871	100.00%	N/A

N/A - Not Applicable

Source: District records.

**ROSELLE PUBLIC SCHOOLS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		<u>Total District</u>	<u>Population</u>	<u>Per Capita</u>
	<u>General Obligation Bonds</u>	<u>Leases / Capital Financing Agreements</u>			
2013	None	None	None	21,354	None
2014	None	None	None	21,392	None
2015	None	None	None	21,425	None
2016	None	None	None	21,498	None
2017	None	None	None	21,604	None
2018	None	\$ 322,613	\$ 322,613	21,851	14.76
2019	None	133,306	133,306	21,826	6.11
2020	None	None	None	21,689	None
2021	None	139,241	139,241	22,432	6.21
2022	-	2,448,246	2,448,246	22,432 *	109.14

Source: District records

* - Estimated Based on Prior Year, Current Year Information Not Available

ROSELLE PUBLIC SCHOOLS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions			
2013	None	-	None	0.00%	-
2014	None	-	None	0.00%	-
2015	None	-	None	0.00%	-
2016	None	-	None	0.00%	-
2017	None	-	None	0.00%	-
2018	None	-	None	0.00%	-
2019	None	-	None	0.00%	-
2020	None	-	None	0.00%	-
2021	None	-	None	0.00%	-
2022	None	-	None	0.00%	-

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-14 for population data.

**ROSELLE PUBLIC SCHOOLS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
FOR THE YEAR ENDED DECEMBER 31, 2021
(Unaudited)**

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Municipal Debt: (1)			
Borough of Roselle	\$ 42,145,091		\$ 42,145,091
Roselle School District	-	-	-
	<hr/>	<hr/>	<hr/>
Total Direct Debt	42,145,091	-	42,145,091
	<hr/>	<hr/>	<hr/>
Overlapping Debt Apportioned to the Municipality:			
Union County (2)			14,278,647
Linden-Roselle Sewer Authority (3)			2,696,094
			<hr/>
Total Overlapping Debt			16,974,741
			<hr/>
Total Direct and Overlapping Debt			\$ 59,119,832
			<hr/>

(1) Borough's Chief Financial Officer and Annual Debt Statement - December 31, 2021

(2) Union County Treasurer's Office. The County Debt was apportioned to Roselle Borough by dividing the Borough's 2021 equalized value by the total 2021 equalized value for Union County.

(3) Overlapping Debt Based upon the Borough of Roselle's share of flow to the authority.

* The source for this computation was the 2021 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

**ROSELLE PUBLIC SCHOOLS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)**

Legal Debt Margin Calculation for Fiscal Year 2022

Equalized Valuation Basis		
2021	\$	1,911,335,080
2020		1,678,087,340
2019		1,553,298,623
	\$	<u>5,142,721,043</u>
Average Equalized Valuation Of Taxable Property		<u>\$ 1,714,240,348</u>
Debt Limit (4% of Average Equalization)		\$ 68,569,614
Total Net Debt Applicable to Limit		-
Legal Debt Margin		<u>\$ 68,569,614</u>

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Debt Limit	\$ 59,862,503	\$ 56,396,985	\$ 52,931,467	\$ 52,744,345	\$ 53,615,401	\$ 54,080,366	\$ 54,900,113	\$ 57,545,758	\$ 61,617,478	\$ 68,569,614
Total Net Debt Applicable To Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 59,862,503</u>	<u>\$ 56,396,985</u>	<u>\$ 52,931,467</u>	<u>\$ 52,744,345</u>	<u>\$ 53,615,401</u>	<u>\$ 54,080,366</u>	<u>\$ 54,900,113</u>	<u>\$ 57,545,758</u>	<u>\$ 61,617,478</u>	<u>\$ 68,569,614</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Annual Debt Statements

**ROSELLE PUBLIC SCHOOLS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(Unaudited)**

<u>Year Ended December 31,</u>	<u>Per Capita Income (A)</u>	<u>Unemployment Rate</u>	<u>School District Population (B)</u>
2013	\$ 55,511	9.40%	\$ 21,354
2014	58,659	8.10%	21,392
2015	60,596	8.10%	21,425
2016	61,978	7.40%	21,498
2017	64,342	6.40%	21,604
2018	67,346	5.80%	21,851
2019	68,867	4.80%	21,826
2020	72,543	12.40%	21,689
2021	not available	8.30%	22,432
2022	not available	not available	22,432 *

*-Estimate

Source: United States Bureau of Census
School District Records

(A)- Represents County of Union

(B)- Estimated, Bureau of Census

N/A - Not Available as of date of audit

**ROSELLE PUBLIC SCHOOLS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

	2022		2013	
Employer	Employees	Percentage of Total Municipal Employment	Employees	Percentage of Total Municipal Employment

Information for this schedule was not available

ROSELLE PUBLIC SCHOOLS
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(Unaudited)

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Instruction										
Regular	231	235	231	231	231	216	242	241	240	240
Special Education	90	95	89	89	89	57	52	50	45	45
Other Instruction	23	24	30	30	30	31	33	31	29	29
Support Services:										
Student and Instruction Related Services	50	50	51	51	51	112	112	92	92	92
General Administration	7	7	4	4	4	5	6	23	23	23
School Administrative Services	20	21	28	28	28	21	31	30	30	30
Business Administrative Services	11	11	10	10	10	6	5	6	6	6
Plant Operations And Maintenance	19	19	23	24	24	14	22	20	20	20
Total	<u>451</u>	<u>462</u>	<u>466</u>	<u>467</u>	<u>467</u>	<u>462</u>	<u>503</u>	<u>493</u>	<u>485</u>	<u>485</u>

Source: District Personnel Records

ROSELLE PUBLIC SCHOOLS
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Pupil/Teacher Ratio			Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle School				
2013	2,679	\$ 51,768,729	\$ 19,324	4.77%	271	1:17	1:23	2,649	2,483	-2.82%	93.73%
2014	2,750	51,275,455	18,646	-3.51%	276	1:17	1:23	2,677	2,505	1.06%	93.57%
2015	2,689	51,909,770	19,304	3.53%	263	1:17	1:23	2,757	2,588	2.99%	93.87%
2016	2,731	55,561,860	20,345	5.39%	263	1:17	1:23	2,710	2,562	-1.70%	94.54%
2017	2,778	56,893,611	20,480	0.66%	263	1:17	1:23	2,750	2,578	1.48%	93.75%
2018	2,870	58,611,098	20,422	-0.28%	273	1:17	1:23	2,922	2,750	6.25%	94.11%
2019	2,897	59,872,985	20,667	1.20%	327	1:17	1:23	2,943	2,746	0.72%	93.31%
2020	2,870	63,370,635	22,080	6.84%	322	1:17	1:23	2,895	2,718	-1.63%	93.89%
2021	2,872	67,700,108	23,572	6.76%	325	1:17	1:23	2,860	2,644	-1.21%	92.45%
2022	2885	74,417,570	25,795	9.43%	325	1:17	1:23	2,884	2,656	0.84%	92.09%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

ROSELLE PUBLIC SCHOOLS
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
District Building										
Elementary										
Charles E. Polk (1922, 1928)										
Square Feet	33,053	33,053	33,053	33,053	33,053	33,053	33,053	33,053	33,053	33,053
Capacity (students)	322	322	322	322	322	322	322	322	322	322
Enrollment	713	726	674	676	735	735	736	732	767	302
Harrison School (1922, 1928)										
Square Feet	41,401	41,401	41,401	41,401	41,401	41,401	41,401	41,401	41,401	41,401
Capacity (students)	346	346	346	346	346	346	346	346	346	346
Enrollment	302	314	329	331	324	324	324	261	268	292
Washington School (1928, 1953)										
Square Feet	48,960	48,960	48,960	48,960	48,960	48,960	48,960	48,960	48,960	48,960
Capacity (students)	408	408	408	408	408	408	408	408	408	408
Enrollment	287	348	327	333	315	315	3,154	312	317	328
Kindergarten Success Academy (Leased)										
Square Feet	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Capacity (students)	300	300	300	300	300	300	300	300	300	300
Enrollment	199	215	173	179	215	215	215	183	181	197
Middle School										
Leonard V. Moore School (1957)										
Square Feet	43,055	43,055	43,055	43,055	43,055	43,055	43,055	43,055	43,055	43,055
Capacity (students)	487	487	487	487	487	487	487	487	487	487
Enrollment	407	429	429	429	470	470	470	524	460	442
Junior High School										
Grace Wilday School										
Square Feet	48,726	48,726	48,726	48,726	48,726	48,726	48,726	48,726	48,726	48,726
Capacity (students)	512	512	512	512	512	512	512	512	512	512
Enrollment	388	380	410	414	426	426	426	469	501	507
Special Education School										
Roselle School Annex										
Square Feet	14,955	14,955	14,955	14,955	14,955	14,955	14,955	14,955	14,955	*
Capacity (students)	37	37	37	37	37	37	37	37	37	*
Enrollment	76	61	76	91	73	73	73	73	75	*
High School										
Abraham Clark (1917, 1924, 1958)										
Square Feet	112,749	112,749	112,749	112,749	112,749	112,749	112,749	112,749	112,749	112,749
Capacity (students)	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084	1,084
Enrollment	713	726	674	676	735	735	736	732	767	803
Other										
Administration Building										
Square Feet	2,645	2,766	2,766	2,766	2,766	2,766	2,766	2,766	2,766	2,766
Maintenance and Field House										
Square Feet	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535	1,535
Trailers										13,950
Number of Schools at June 30, 2022										
Elementary =	3									
Middle School =	1									
Junior High School =	1									
Special Education School =	1									
High School =	1									

* - The leased annex expired and the district left the facility on August of 2021. The district has purchased portable trailers to house these students at each elementary school.

Source: District Records

**ROSELLE PUBLIC SCHOOLS
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
School Facilities										
Abraham Clark High School	\$ 114,532	\$ 113,807	\$ 117,805	\$ 108,204	\$ 109,394	\$ 242,876	\$ 528,177	\$ 528,177	\$ 533,108	\$ 817,852
Leonard V. Moore Middle School	57,247	52,848	54,052	41,320	41,774	92,746	201,693	201,693	203,576	333,582
Grace Wilday Junior High School	27,708	23,599	24,506	46,762	47,276	104,962	228,259	228,259	230,390	295,847
Harrison Elementary School	35,268	32,665	35,438	39,732	40,169	89,183	193,945	193,945	195,755	256,058
Charles E. Polk Elementary School	33,208	35,914	32,583	31,721	32,070	71,201	154,838	154,838	156,284	254,858
Washington Elementary School	<u>34,383</u>	<u>34,463</u>	<u>37,154</u>	<u>46,987</u>	<u>47,503</u>	<u>105,466</u>	<u>229,355</u>	<u>229,355</u>	<u>231,496</u>	<u>218,901</u>
Total School Facilities	302,346	293,296	301,538	314,726	318,186	706,434	1,536,267	1,536,267	1,550,609	2,177,098
Other Facilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>362,719</u>
Grand Total	<u>\$ 302,346</u>	<u>\$ 293,296</u>	<u>\$ 301,538</u>	<u>\$ 314,726</u>	<u>\$ 318,186</u>	<u>\$ 706,434</u>	<u>\$ 1,536,267</u>	<u>\$ 1,536,267</u>	<u>\$ 1,550,609</u>	<u>\$ 2,539,817</u>

Source: District records

**ROSELLE PUBLIC SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)**

Article I - Property

	<u>Coverage</u>	<u>Deductible</u>
Real and Personal Property	\$500,000,000 per occurrence NJSIG Limit	\$5,000 per occurrence
Extra Expense	\$50,000,000 per occurrence NJSIG Limit	\$5,000 per occurrence
Valuable Papers and Records	\$10,000,000 per occurrence NJSIG Limit	\$5,000 per occurrence
Demolition and Increased Cost of Construction	\$25,000,000 per occurrence NJSIG Limit	
Loss of Rents	Not Covered per occurrence	
Loss of Business Income/Tuition	\$500,000 per occurrence	
Limited Builders Risk	\$10,000,000 per occurrence NJSIG Limit	
Fire Department Service Charge	\$10,000 per occurrence	
Arson Reward	\$10,000 per occurrence	
Pollutant Cleanup and Removal	\$250,000 per occurrence/NJSIG annual aggregate	
Fine Arts	Not Covered	
Sublimits: Special Flood Hazard Area Flood Zones	\$25,000,000 per occurrence /NJSIG annual aggregate	\$500,000 per building \$500,000 per building contents
Accounts Receivable	\$250,000 per occurrence/annual aggregate	
All Flood Zones	\$75,000,000 per occurrence/NJSIG annual aggregate	\$10,000 per member/per occurrence
Earthquake	\$50,000,000 per occurrence/NJSIG annual aggregate	
Terrorism	\$1,000,000 per occurrence/NJSIG annual aggregate	

Article II - Electronic Data Processing

Data Processing Equip. Including Data and Media	\$500,000,000 per occurrence	\$1,000 per occurrence
Extra Expense, Business Income, Duplicates, Transit and Debris Removal		Special Flood Hazard Area Flood \$500,000 per building contents All Other Flood Zones Flood \$10,000 per member/per occurrence
Terrorism	Included in Property	
Computer Virus	\$250,000 (\$10,000,000 NJSIG annual aggregate)	

**ROSELLE PUBLIC SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)**

Article III - Equipment Breakdown

	<u>Coverage</u>	<u>Deductible</u>
Combined Single Limit per Accident for Property Damage and Business Income	\$100,000,000	
Sublimits:		
Property Damage	Included	\$25,000 per Accident
Off Premises Property Damage	\$1,000,000	
Business Income	Included	
Extra Expense	\$10,000,000	
Service Interruption	\$10,000,000	
Perishable Goods	\$1,000,000	
Data Restoration	\$1,000,000	
Contingent Business Income	\$1,000,000	
Demolition	\$1,000,000	
Ordinance or Law	\$1,000,000	
Expediting Expenses	\$1,000,000	
Hazardous Substances	\$1,000,000	
Newly Acquired Locations (120 days notice)	\$1,000,000	
Terrorism	Included	
		12 Hours for Indirect Coverages Service Interruption: Waiting Period 24 hours

Article IV - Crime

Insuring Agreements	Limits	Deductibles
Insuring Agreement 1 - Public Employees Dishonesty with Faithful Performance	\$250,000	\$1,000
Insuring Agreement 2 - Forgery or Alteration	\$100,000	\$500
Insuring Agreement 3 - Theft, Disappearance and Destruction - Loss of Money and Securities On or Off Premises	\$100,000	\$500
Insuring Agreement 4 - Money Orders and Counterfeit Paper Currency	\$25,000	\$500
Insuring Agreement 5 - Computer Fraud	\$25,000	\$500
Public Officials' Bond:		
Business Administrator	\$310,000	\$500
Treasurer	\$310,000	\$500

ROSELLE PUBLIC SCHOOLS
INSURANCE SCHEDULE
JUNE 30, 2022
(Unaudited)

Article V - Comprehensive General Liability

	<u>Coverage</u>	<u>Deductible</u>
Bodily Injury and Property Damage	\$16,000,000 per occurrence	
Products and Completed Operations	\$16,000,000 annual aggregate	
Sexual Abuse	\$15,000,000 per occurrence \$27,000,000 annual NJSIG aggregate	
Communicable Disease Outbreak	\$1,000,000 per occurrence \$9,000,000 annual NJSIG aggregate	
Personal Injury and Advertising Injury	\$16,000,000 per occurrence/annual aggregate	
Employee Benefits Liability	\$16,000,000 per occurrence/annual aggregate	\$1,000 each claim
Premises Medical Payments	\$10,000 per accident \$5,000 limit per person	
Terrorism	\$1,000,000 per occurrence/annual NJSIG aggregate	N/A

Article VI - Automobile

Liability		
Symbol 1 Any Auto		\$-0-
Bodily Injury and Property Damage	\$16,000,000 per accident	\$-0-
Symbol 6 Uninsured/Underinsured Motorists - Private Passenger Autos	\$1,000,000 per accident	\$-0-
Symbol 6 Uninsured/Underinsured Motorists - All Other Vehicles	\$15,000 Bodily Injury Per Person \$30,000 Bodily Injury Per Accident \$5,000 Property Damage Per Accident	\$-0-
Symbol 5 Personal Injury Protection (including pedestrians)	\$250,000	\$-0-
Medical Payments	\$10,000 private passenger vehicles \$5,000 all other vehicles	
Terrorism	\$1,000,000 per occurrence/annual NJSIG aggregate	\$-0-
Communicable Disease	\$1,000,000 per occurrence \$9,000,000 annual NJSIG aggregate	
Physical Damage (Scheduled vehicles only)		
Symbol 7		
Comprehensive		\$1,000
Collision		\$1,000
Hired Car Physical Damage \$110,000 Limit		\$1,000
Replacement Cost	Not Covered	
Garage Keepers	Included	

Source: School District's records

SINGLE AUDIT SECTION



LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
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DEBRA GOLLE, CPA
MARK SACO, CPA
ROBERT LERCH, CPA
CHRISTOPHER M. VINCI, CPA, PSA
CHRISTINA CUIFFO, CPA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Roselle Public Schools
Roselle, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Public Schools as of and for the fiscal year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Roselle Public Schools' basic financial statements and have issued our report thereon dated February 16, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-01 and 2022-02 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Roselle Public Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which is described in the accompanying schedule of findings and questioned costs as item 2022-01.


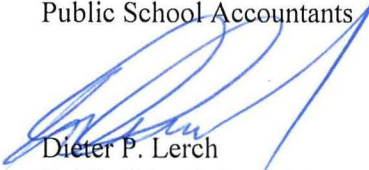
We also noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Roselle Public Schools in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated February 16, 2023.

Roselle Public Schools' Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Roselle Public Schools' responses to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The Roselle Public Schools' responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants

Dieter P. Lerch
Public School Accountant
PSA Number CS000756

Fair Lawn, New Jersey
February 16, 2023

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE U.S. UNIFORM GUIDANCE AND
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE REQUIRED BY NEW JERSEY OMB
CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Roselle Public Schools
Roselle, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Roselle Public Schools' compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Roselle Public Schools' major federal and state programs for the fiscal year ended June 30, 2022. The Roselle Public Schools' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Roselle Public Schools complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2022.

Basis for Opinion on Each Major Federal and State Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. Uniform Guidance and New Jersey OMB Circular 15-08 which is described in the accompanying schedule of findings and questioned costs as item 2022-03. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Roselle Public Schools' response to the noncompliance finding identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The Roselle Public Schools' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-03 to be a significant deficiency.

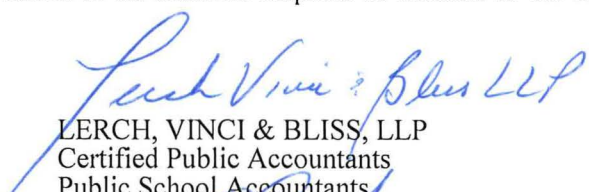
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

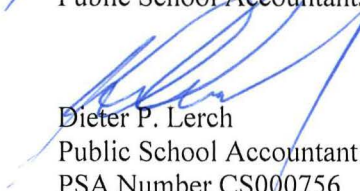
Government Auditing Standards requires the auditor to perform limited procedures on the Roselle Public Schools' response to the internal control over compliance findings identified in our compliance audit and described in the accompanying schedule of findings and questioned costs. The Roselle Public Schools' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

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 Roselle Public Schools, as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated February 16, 2023, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


LERCH, VINCI & BLISS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS000756

Fair Lawn, New Jersey
February 16, 2023

ROSELLE PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Carryover Amount			Cash Received	Budgetary Expenditures	Adjustment	Carryover Funds Released		Balance, June 30, 2022		Due to Grantor at June 30, 2022	MEMO GAAP Receivable
					Balance July 1, 2021	Unearned Revenue	Accounts Receivable				Unearned Revenue	Accounts Receivable	(Account Receivable)	Unearned Revenue		
U.S. Department of Agriculture (Passed through State Department of Education)																
Enterprise Fund																
National School Lunch Program	10.555	221N004N1099	7/1/21-6/30/22	2,005,332			\$ 1,843,459	\$ 2,005,332					\$ (161,873)		\$ 161,873	
Cash Assistance	10.555	211N004N1099	7/1/20-6/30/21	695,430	(176,904)		176,904									
Cash Assistance	10.555	221N004N1099	7/1/21-6/30/22	185,520			185,520	165,396						\$ 20,124		
Non-Cash Assistance	10.555	211N004N1099	7/1/20-6/30/21	81,367	22,972											
Non-Cash Assistance	10.555	221N004N1099	7/1/21-6/30/22	580,111			534,670	580,111					(45,441)		45,441	
National School Breakfast Program	10.553	211N004N1099	7/1/20-6/30/21	428,393	(107,004)		107,004									
National School Breakfast Program																
Total Child Nutrition Cluster				(260,936)			2,847,557	2,773,811					(207,314)	20,124	207,314	
Child and Adult Care Food Program																
Child Care	10.558	221N004N1099	7/1/21-6/30/22	224,481			198,246	224,481					(26,235)		26,235	
Cash in Lieu of Commodities	10.558	221N004N2020	7/1/21-6/30/22	15,929			14,065	15,929					(1,864)		1,864	
COVID - Emergency Operations Cost Program	10.558	221N004N1099	7/1/21-6/30/22	38,201			38,201	38,201								
COVID - Emergency Operations Cost Program	10.558	211N004N1099	7/1/20-6/30/21	176,484	(176,484)		176,484									
Total Child and Adult Care Food Program				(176,484)			426,996	278,611					(28,099)		28,099	
COVID - P-EBT Administrative Cost Reimbursement																
COVID - P-EBT Administrative Cost Reimbursement	10.649	2022225900941	7/1/21-6/30/22	3,135			3,135	3,135								
COVID - P-EBT Administrative Cost Reimbursement	10.649	2022225900941	7/1/20-6/30/21	3,063	(3,063)											
Fresh Fruit and Vegetable Program	10.582	221N004L1603	7/1/21-6/30/22	6,896			6,896	6,896								
Fresh Fruit and Vegetable Program	10.582	211N004L1603	7/1/20-6/30/21	15,295	(1,438)		1,438									
Total Enterprise Fund				(441,921)			3,289,085	3,062,453					(235,413)	20,124	235,413	
U.S. Department of Health and Human Services (Passed Through State Department of Education)																
General Fund																
Medicaid Assistance Program	93.778	2005N05MAP	7/1/21-6/30/22	178,514			134,947	178,514					(43,567)		43,567	
Total General Fund							134,947	178,514					(43,567)		43,567	
U.S. Department of Education (Passed Through State Department of Education)																
Special Revenue Fund																
IDEA Part B - Basic	84.027A	H027A210100	7/1/21-9/30/22	892,423	\$ 623,783	\$ (623,783)	445,974	832,704					(1,070,232)	683,502	386,730	
IDEA Part B - Basic	84.027A	H027A200100	7/1/20-9/30/21	921,234	(178,366)	(623,783)	178,355		\$ 11							
ARP IDEA - Basic	84.027X	H027X210100	7/1/21-9/30/22	182,020				19,086					(182,020)	182,020		
IDEA CCLC - Supplemental	84.027A	H027A210100	9/1/21-8/31/22	35,000			16,440	19,086					(18,560)	15,914	2,646	
IDEA Part B - Preschool	84.173A	H173A210114	7/1/21-9/30/22	28,208		26,764	11,095	20,360		\$ (6,404)	\$ 6,404		(37,473)	28,208	9,265	
IDEA Part B - Preschool	84.173A	H173A200114	7/1/20-9/30/21	27,842	(1,401)	(26,764)	26,764	2,683	(1,282)							
ARP-IDEA Part B - Preschool	84.173X	H173X210114	7/1/21-9/30/22	15,451									(15,451)	15,451		
Total Special Education Cluster				(179,767)			654,547	872,150	(1,271)	(6,404)	6,404	(1,323,736)	925,095		398,641	
Title I																
Title I	84.010	S010A210030	7/1/21-9/30/22	839,668		154,918	(154,918)	318,505	429,071				(676,081)	565,515	110,566	
Title I	84.010	S010A200030	7/1/20-9/30/21	924,701	(173,724)	(154,918)	154,918	210,958	67,869	\$ 30,635	\$ (77,227)	77,227				
Total Title I				(173,724)			529,463	496,940	30,635	(77,227)	77,227	(676,081)	565,515		110,566	
Title II																
Title II	84.367A	S367A210029	7/1/21-9/30/22	118,571		32,172	(32,172)	68,010	75,181				(82,733)	75,562	7,171	
Title II	84.367A	S367A200029	7/1/20-9/30/21	106,514	(17,908)	(32,172)	32,172	35,471	17,563							
Total Title II				(17,908)			103,481	92,744					(82,733)	75,562	7,171	
Title III																
Title III	84.365	S365A210030	7/1/21-9/30/22	69,730		28,122	(28,122)	29,766	34,559				(68,086)	63,293	4,793	
Title III	84.365	S365A200030	7/1/20-9/30/21	66,964	(3,257)	(28,122)	28,122	50,876	47,619							
Title III Immigrant	84.365	S365A210030	7/1/21-9/30/22			13,411	(13,411)						(13,411)	13,411		
Title III Immigrant	84.365	S365A200030	7/1/20-9/30/21	13,753		(13,411)	13,411									
Total Title III				(3,257)			80,642	82,178					(81,497)	76,704	4,793	
Title IV																
Title IV	84.424A	S424A210031	7/1/21-9/30/22	67,655		48,645	(48,645)	12,133	26,540				(104,167)	89,760	14,407	
Title IV	84.424A	S424A200031	7/1/20-9/30/21	68,081	(30,650)	(48,645)	48,645	27,136	3,514							
Total Title IV				(30,650)			39,269	26,540	3,514				(104,167)	89,760	14,407	
21st Century CCLC																
21st Century CCLC	84.287	S287C210030	9/1/21-8/31/22	649,270			495,771	546,089			(14,138)	14,138	(139,361)	89,043	50,318	
21st Century CCLC	84.287	S287C200030	9/1/20-8/31/21	549,270	(52,556)		95,316	56,699	13,939			(244,946)				
Total 21st Century CCLC				(52,556)			591,087	602,788	13,939	(259,084)	259,084	(139,361)	89,043		50,318	
Perkins Secondary																
Perkins Secondary	84.048	V048A210030	7/1/21-6/30/22	7,590			3,184	3,311			(4,279)	4,279	(127)		127	
Perkins Secondary	84.048	V048A200030	7/1/20-6/30/21	8,609	(151)		3,514	3,514	(188)	(3,175)						
Total Perkins Secondary				(151)			6,698	3,311	(188)	(7,454)	4,279	(127)			127	

ROSELLE PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal/Grantor/Pass-Through Grantor/ Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2021	Carryover Amount		Cash Received	Budgetary Expenditures	Adjustment	Carryover Funds Released		Balance, June 30, 2022		Due to Grantor at June 30, 2022	MEMO GAAP Receivable
						Unearned Revenue	Accounts Receivable				Unearned Revenue	Accounts Receivable	Unearned Revenue	Unearned Revenue		
Elementary and Secondary School Emergency Relief (ESSER)																
Coronavirus Aid, Relief, and Economic Security (CARES) Act																
CARES Act - Union County Subgrant	84.425D	S425D200027	7/16/20-10/31/20	143,500	\$ 3,151										\$ 3,151	
CARES Emergency Relief Grant	84.425D	S425D200027	3/13/20-9/30/22	900,765	(242,638)			\$ 351,216	\$ 108,578							
CARES - ESSER - Addressing Student Learn.	84.425D	S425D200027	4/1/21-8/31/22	156,425	(2,832)				127,664			\$ (156,425)	\$ 25,929		\$ 130,496	
Elementary and Secondary School Emergency Relief (ESSER II)																
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act																
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	3,038,032				\$76,075	2,119,049			(2,161,957)	918,983			1,242,974
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	194,965				89,039	96,570			(105,926)	98,395			7,531
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000				9,000	9,000			(36,000)	36,000			-
American Rescue Plan - Elementary and Secondary Schools Emergency Relief Fund																
ARP - ESSER	84.425U	S425U210027	3/13/20-9/30/24	6,827,782				87,339	2,291,503			(6,740,443)	4,536,279			2,204,164
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	321,301								(321,301)	321,301			-
Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000								(40,000)	40,000			-
Evidence Based Comprehensive Beyond the Day	84.425U	S425U210027	3/13/20-9/30/24	40,000								(40,000)	40,000			-
NTSS Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	445,613								(445,613)	445,613			-
ESSER Cluster Total					(242,319)			1,412,669	4,752,364			(10,047,665)	6,462,500	3,151		3,585,165
U.S. Department of Treasury																
(Passed Through State of New Jersey Department of Education)																
Coronavirus Relief Fund																
Nonpublic Digital Divide	21.019	C8220COVID19	7/16/20-10/31/20	22,272	7,479											7,479
Re-Opening and Remote Learning	21.019	C8220COVID19	7/16/20-10/31/20	340,868	7,457											7,457
Bridging the Digital Divide	21.019	C8220COVID19	7/16/20-10/31/20	715,403	2,000											2,000
Coronavirus Relief Fund Cluster Total				16,936												16,936
U.S. Department of Justice																
(Passed Through State of New Jersey Department of Law and Public Safety)																
COFS Grant	16.710			118,313					118,313			(118,313)				118,313
Juvenile Justice & Delinquency Prevention Program	16.540			29,223				8,478	20,605			(20,745)	8,618			12,127
Total Special Revenue Fund				(683,396)				3,426,334	7,067,933	\$ 46,629	\$ (350,169)	\$ 346,994	(12,594,425)	8,292,797	20,087	4,301,628
Total Federal Awards				\$ (1,125,317)	\$ -	\$ -	\$ 6,850,366	\$ 10,308,900	\$ 46,629	\$ (350,169)	\$ 346,994	\$ (12,873,405)	\$ 8,312,921	\$ 20,087	\$ 4,580,608	

ROSELLE PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Award Amount	Grant Period From	Balance, July 1, 2021		Carryover Amount	Cash Received	Budgetary Expenditures	Refund Prior Years' Balances	(Accounts Receivable)	June 30, 2022		MEMO	
				Unearned Revenue/ (Accts Rec.)	Due to Grantor						Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
General Fund:														
State Department of Education:														
Equalization Aid	22-495-034-5120-078	\$ 29,203,743	7/1/21-6/30/22				\$ 26,289,283	\$ 29,203,743		\$ (2,914,460)				\$ 29,203,743
Equalization Aid	21-495-034-5120-078	25,596,488	7/1/20-6/30/21	\$ (2,554,846)			2,554,846							
Security Aid	22-495-034-5120-084	1,283,877	7/1/21-6/30/22				1,155,749	1,283,877		(128,128)				1,283,877
Security Aid	21-495-034-5120-084	1,283,877	7/1/20-6/30/21	(128,160)			128,160							
Special Education Aid	22-495-034-5120-089	1,836,297	7/1/21-6/30/22				1,653,039	1,836,297		(183,258)				1,836,297
Special Education Aid	21-495-034-5120-089	1,836,297	7/1/20-6/30/21	(183,168)			183,168							
Total State Aid Public Cluster				(2,866,174)			31,964,245	32,323,917		(3,225,846)				32,323,917
Transportation Aid	22-495-034-5120-014	137,828	7/1/21-6/30/22				124,073	137,828		(13,755)				137,828
Transportation Aid	21-495-034-5120-014	137,828	7/1/20-6/30/21	(13,824)			13,824							
Extraordinary Aid	22-495-034-5120-044	342,288	7/1/21-6/30/22					342,288		(342,288)				342,288
Extraordinary Aid	21-495-034-5120-044	109,672	7/1/20-6/30/21	(109,672)			109,672							
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	1,670,753	7/1/21-6/30/22				1,594,002	1,670,753		(76,751)			\$ 76,751	1,670,753
Reimbursed TPAF Social Security Contributions	21-495-034-5094-003	1,684,554	7/1/20-6/30/21	(81,394)			81,394							
On-Behalf TPAF Pension Contribution	22-495-034-5094-002	8,278,413	7/1/21-6/30/22				8,278,413	8,278,413						8,278,413
On-Behalf TPAF Non-Contributory Group Insurance	22-495-034-5094-004	116,797	7/1/21-6/30/22				116,797	116,797						116,797
On-Behalf TPAF Long Term Disability Insurance	22-495-034-5094-007	4,383	7/1/21-6/30/22				4,383	4,383						4,383
On-Behalf TPAF Post Retirement Medical Benefits	22-495-034-5094-001	1,961,461	7/1/21-6/30/22				1,961,461	1,961,461						1,961,461
Total General Fund				(3,071,064)			44,248,264	44,835,840		(3,658,640)				76,751 44,835,840
Special Revenue Fund:														
State Department of Education:														
Nonpublic Auxiliary Services														
Compensatory Education	22-100-034-5120-067	152,823	7/1/21-6/30/22				152,823	147,180			\$ 5,643			147,180
Compensatory Education	21-100-034-5120-067	149,797	7/1/20-6/30/21		\$ 2,963				\$ 2,963					
English as a Second Language	22-100-034-5120-067	4,019	7/1/21-6/30/22				4,019	3,654				365		3,654
English as a Second Language	21-100-034-5120-067	1,776	7/1/20-6/30/21			1,776			1,776					
Transportation	21-100-034-5120-068	18,769	7/1/20-6/30/21			18,769			18,769					
Nonpublic Handicap Services														
Exam. And Classification	22-100-034-5120-066	65,215	7/1/21-6/30/22				65,215	53,077				12,138		53,077
Exam. And Classification	21-100-034-5120-066	64,473	7/1/20-6/30/21		10,032				10,032					
Corrective Speech	22-100-034-5120-066	17,670	7/1/21-6/30/22				17,670	15,903				1,767		15,903
Corrective Speech	21-100-034-5120-066	19,139	7/1/20-6/30/21		2,552				2,552					
Supplementary Instruction	22-100-034-5120-066	45,430	7/1/21-6/30/22				45,430	42,374				3,056		42,374
Supplementary Instruction	21-100-034-5120-066	45,088	7/1/20-6/30/21		1,057				1,057					
N.J. Nonpublic Aid:														
Textbook Aid	22-100-034-5120-064	30,550	7/1/21-6/30/22				30,550	30,080				470		30,080
Textbook Aid	21-100-034-5120-064	31,278	7/1/20-6/30/21		2				2					
Nursing Services	22-100-034-5120-070	57,792	7/1/21-6/30/22				57,792	54,694				3,098		54,694
Technology Initiative	22-100-034-5120-373	21,378	7/1/21-6/30/22				21,378	6,593				14,785		6,593
Technology Initiative	21-100-034-5120-373	53,958	7/1/20-6/30/21		7,865				7,865					
Security Aid	22-100-034-5120-509	90,300	7/1/21-6/30/22				90,300	15,053				75,247		15,053
Security Aid	21-100-034-5120-509	92,575	7/1/20-6/30/21		3,919				3,919					
Preschool Education Aid	22-495-034-5120-086	636,405	7/1/21-6/30/22				572,764	636,405		(63,641)				636,405
Preschool Education Aid	21-495-034-5120-086	536,430	7/1/20-6/30/21	(53,643)			53,643							
SDA Capital and Emergent Needs Grant		70,523					70,523	70,523						70,523
School Security Grant (Alyssa's Law)	20E00171	162,639	7/1/20-6/30/2022					162,639		(162,639)				(162,639) 162,639
Total Special Revenue Fund				(53,643)	48,935		1,182,107	1,238,175	48,935	(226,280)		116,569		(162,639) 1,238,175

ROSELLE PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

State Grantor/Program Title	Grant or State Project Number	Award Amount	Grant Period From	Balance, July 1, 2021			Cash Received	Budgetary Expenditures	Refund Prior Years' Balances	Balance, June 30, 2022			MEMO	
				Unearned Revenue/ (Accts Rec.)	Due to Grantor	Carryover Amount				(Accounts Receivable)	Unearned Revenue	Due to Grantor	GAAP Receivable	Cumulative Total Expenditures
Enterprise Fund:														
School Lunch Program	22-100-010-3360-067	\$ 47,122	7/1/21-6/30/22				\$ 43,572	\$ 47,122		\$ (3,550)			\$ 3,550	\$ 47,122
School Lunch Program	21-100-010-3360-067	31,614	7/1/20-6/30/21	\$ (10,774)	-	-	10,774	-	-	-	-	-	-	-
Total Enterprise Fund				(10,774)	-	-	54,346	47,122	-	(3,550)	-	-	3,550	47,122
Capital Projects Fund:														
School Development Authority Grants														
New Exterior Doors, Boiler, CCTV Security System - Dr. Charles C. Polk School	4540-030-09-1009	144,645	N/A	(38,758)						(144,645)	\$ 105,887		144,645	38,758
Upgrade Electrical Services - Harrison Elementary School	4540-020-09-1002	36,587	N/A	(4,773)						(36,587)	31,814		36,587	4,773
New Intercom and CCTV Security System - Wilday Middle School	4540-060-09-1007	45,201	N/A	(19,980)						(22,374)	2,394		22,374	42,807
New Intercom and CCTV Security System - Washington Elementary School	4540-050-09-1010	45,201	N/A	(16,326)						(22,374)	6,048		22,374	39,153
New Intercom and CCTV Security System - Leonard V. Moore Middle School	4540-040-09-1006	45,201	N/A	(11,723)						(22,374)	10,651		22,374	34,550
Intercom PA System Replacement and New Security System - Harrison Elementary School	4540-020-09-1008	99,442	N/A	41,484						(19,112)	60,596		19,112	38,846
Interior Door Replacement - Harrison Elementary School	4540-020-10-1002	171,287	N/A	-						(171,287)	171,287		171,287	
Brick Pointing, Power Cleaning, Lintel Replacement - Harrison Elementary School	4540-020-10-1017	115,325	N/A	(109,673)						(115,325)	5,652		115,325	109,673
Electrical Service Upgrade - Dr. Charles C. Polk School	4540-030-10-1020	370,142	N/A	(370,142)						(370,142)			370,142	370,142
Brick Pointing, Power Cleaning, Lintel Replacement - Dr. Charles C. Polk School	4540-030-10-1021	110,393	N/A	(105,509)						(110,393)	4,884		110,393	105,509
Brick Pointing, Power Cleaning, Lintel Replacement - Leonard V. Moore Middle School	4540-040-10-1022	118,847	N/A	(104,226)						(118,847)	14,621		118,847	104,226
Windows and Exterior Door Replacement - Leonard V. Moore Middle School	4540-040-10-1024	394,800	N/A	(381,595)						(394,800)	13,205		394,800	381,595
Windows and Exterior Door Replacement - Harrison Elementary School	4540-020-10-1018	340,767	N/A	(312,198)						(340,767)	28,569		340,767	312,198
Windows and Exterior Door Replacement - Washington Elementary School	4540-050-10-1025	335,390	N/A	(323,115)						(335,390)	12,275		335,390	323,115
Windows and Exterior Door Replacement - Wilday Middle School	4540-060-10-1030	193,893	N/A	(190,090)						(193,893)	3,803		193,893	190,090
Door Replacement - Wilday Middle School	4540-060-10-1012	141,146	N/A	(8,730)						(141,146)	132,416		141,146	8,730
Brick Pointing, Power Cleaning, Lintel Replacement - Abraham Clark High School	4540-010-10-1016	94,343	N/A	(94,343)						(94,343)			94,343	94,343
Brick Pointing, Power Cleaning, Lintel Replacement - Washington Elementary School	4540-050-10-1027	87,175	N/A	(87,175)						(87,175)			87,175	87,175
Brick Pointing, Power Cleaning, Lintel Replacement - Wilday Middle School	4540-060-10-1028	109,646	N/A	(102,772)						(109,646)	6,874		109,646	102,772
New HVAC, Associated Piping & Electrical - Abraham Clark High School	4540-010-14-1006	1,805,881	N/A	(501,221)						(1,805,881)	1,304,660		1,805,881	501,221
Replacement of Domestic Water & Distribution Lines - Washington Elementary School	4540-050-14-1013	290,744	N/A	-						(290,744)	290,744		290,744	
New HVAC, Associated Piping & Electrical - Wilday Middle School	4540-060-14-1015	1,520,165	N/A	(187,882)						(1,520,165)	1,332,283		1,520,165	187,882
Unbundled Project, Communications, Life Safety - Polk School	4540-030-14-1009	49,815	N/A	-						(49,815)	49,815		49,815	-
Total Capital Projects Fund				(2,928,747)	-	-	-	-	-	(6,517,225)	3,588,478	-	6,517,225	3,077,558
Total State Financial Assistance Subject to Single Audit Determination				\$ (6,064,228)	\$ 48,935	\$ -	\$ 45,484,717	\$ 46,121,137	\$ 48,935	\$ (10,405,695)	\$ 3,588,478	\$ 116,569	\$ 6,434,887	\$ 49,198,695
Less:														
State Assistance Not Subject to Single Audit:														
TPAF Pension													(8,278,413)	
TPAF NCGI Contribution													(116,797)	
TPAF LTDI Contribution													(4,383)	
TPAF Post-Retirement Medical Contribution													(1,961,461)	
Total State Assistance Subject to Major Program Determination													\$ 35,760,083	

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Roselle Public Schools. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (U.S. Uniform Guidance) and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is a decrease of \$731,891 for the general fund and a decrease of \$2,423,342 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 178,514	\$ 44,103,949	\$ 44,282,463
Special Revenue Fund	4,709,752	1,173,014	5,882,766
Food Service Fund	<u>3,062,453</u>	<u>47,122</u>	<u>3,109,575</u>
Total Awards and Financial Assistance	<u>\$ 7,950,719</u>	<u>\$ 45,324,085</u>	<u>\$ 53,274,804</u>

**ROSELLE PUBLIC SCHOOLS
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,670,753 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2022. The amount reported as TPAF Pension System Contributions in the amount of \$8,395,210, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,961,461 and TPAF Long-Term Disability Insurance in the amount of \$4,383 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2022.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

NOTE 7 DE MINIMIS INDIRECT COST RATE

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

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? yes X no

2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? X yes none reported

Noncompliance material to the basic financial statements noted? X yes no

Federal Awards Section

Internal Control over compliance:

1) Material weakness(es) identified? yes X no

2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with U.S. Uniform Guidance yes X none

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	S010A210030	Title I
84.425D	S425D200027	Coronavirus Relief and Economic Security Act (CARES - ESSER I)
84.425D	S425D210027	Coronavirus Response and Relief Supplemental Act (ESSER II)
84.425U	S425U210027	American Rescue Plan (ARP-ESSER)

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Were significant deficiency(ies) identified that were not considered to be material weaknesses? X yes _____ none reported

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? X yes _____ none

Identification of major programs:

<u>State Grant/Project Numbers</u>	<u>Name of State Program</u>
22-495-034-5120-078	Equalization Aid
22-495-034-5120-089	Special Education Aid
22-495-034-5120-084	Security Aid
22-495-034-5094-003	Reimbursed TPAF Social Security Contributions

Dollar threshold used to distinguish between Type A and Type B Programs \$ 1,072,802

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

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Finding 2022-01

Our audit of purchases and contract awards in excess of the bid threshold revealed the following as it relates to compliance with the Public School Contracts Law and State procurement guidelines

- Our audit indicated that payments were made to a vendor for substitute personnel services in the amount of \$454,638. The District awarded this as a professional service rather than through competitive contracting and/or public advertisement for bids.
- Our audit indicated several vendors were paid based on the utilization of state contracts and other cooperative purchasing agreements. In certain instances, the respective contract number utilized was not specified in the minutes or on the purchase order. Additionally, the applicable state contract and cooperative purchasing agreements were not able to be provided in order to determine the validity of the contracts, the propriety of the services performed and the accuracy of the amounts billed to the District.
- Our audit indicated that multiple contracts were awarded for general construction, carpentry and painting services based on time and material rates as stated in the cooperative purchasing agreement, however, payments were made based on vendor invoices with lump sum amounts. In addition, such vendor was utilized for numerous contracts that were not approved by the Board prior to services rendered.

Criteria or specific requirement

Public School Contracts Law

Condition

See Finding.

Context

The District made payments totaling \$454,638 for substitute personnel services. The District classified the contract as a professional service and did not procure these services through competitive contracting or public advertisement for bid.

The District utilized numerous cooperative purchasing agreements, as well as State contracts, to procure goods and services. Contract numbers are not always specified in the minutes or on the purchase order. Documentation to support the contracts utilized were not maintained by the District. Payments were made without verification that amounts billed to the District were in accordance with the respective contract.

The District paid \$931,095 to Northeastern Interiors, LLC for numerous general construction, carpentry and painting services. The minutes indicated two (2) contracts awarded to this vendor for a total of \$174,494 through the Hunterdon County Educational Services Commission cooperative purchasing program. Such cooperative purchasing contract was based on time and material rates for services provided. Payments were made to the vendor based on invoices which were lump sum amounts and were not properly itemized as to time and materials as stipulated in the cooperative purchasing agreement. Furthermore, certain contract awards to the vendor were made subsequent to the work performed.

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Effect

District contract awards and payments of claims were not always in compliance with Public School Contracts Law.

Cause

Unknown.

Recommendation

- Contract for substitute personnel services be procured by public bid or competitive contracting.
- Documentation be maintained on file and made available for audit to support the District's awards pursuant to state contract and cooperative purchasing agreements.
- All invoices be itemized as to hourly rates, time and materials utilized for general construction services.
- In all instances, contract awards be approved by the Board prior to services rendered.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that correction action will be taken.

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

Finding 2022-02

Our audit indicated that payments made to vendors through a lease purchase escrow account were not reflected in the District's financial records.

Criteria or specific requirement

Generally Accepted Accounting Principles

Condition

The District entered into a lease purchase for which payments are made through an escrow account held by the designated fiscal agent. Transactions occurring in this account were not reflected on the financial records of the District.

Context

The District entered into a lease purchase in the amount of \$2,075,000 to finance the costs of temporary classroom units, athletic field lighting and security cameras. During the 2021/22 fiscal year, payments totaling \$1,817,106 were made from the escrow account held by a fiscal agent. These payments were not reflected in the District's financial reporting system.

Effect

Transactions were not reflected in the District's financial reporting system.

Cause

Unknown.

Recommendation

Payments made to vendors through lease purchase escrow accounts be reflected in the District's financial reporting system.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that correction action will be taken.

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR FEDERAL AWARDS

There are none.

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

Finding 2022-03

Our audit of purchases and contract awards in excess of the bid threshold revealed the following as it relates to compliance with the Public School Contracts Law and State procurement guidelines

- Our audit indicated that payments were made to a vendor for substitute personnel services in the amount of \$454,638. The District awarded this as a professional service rather than through competitive contracting and/or public advertisement for bids.
- Our audit indicated several vendors were paid based on the utilization of state contracts and other cooperative purchasing agreements. In certain instances, the respective contract number utilized was not specified in the minutes or on the purchase order. Additionally, the applicable state contract and cooperative purchasing agreements were not able to be provided in order to determine the validity of the contracts, the propriety of the services performed and the accuracy of the amounts billed to the District.
- Our audit indicated that multiple contracts were awarded for general construction, carpentry and painting services based on time and material rates as stated in the cooperative purchasing agreement, however, payments were made based on vendor invoices with lump sum amounts. In addition, such vendor was utilized for numerous contracts that were not approved by the Board prior to services rendered.

State Program Information

Equalization Aid	495-034-5120-078
Special Education Aid	495-034-5120-089
Security Aid	495-034-5120-084

Criteria or specific requirement

State Grant Compliance Supplement – State Aid Public – Special Tests and Provisions

Condition

See Finding.

Questioned Costs

Unknown.

**ROSELLE PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

CURRENT YEAR STATE AWARDS

Context

The District made payments totaling \$454,638 for substitute personnel services. The District classified the contract as a professional service and did not procure these services through competitive contracting or public advertisement for bid.

The District utilized numerous cooperative purchasing agreements, as well as State contracts, to procure goods and services. Contract numbers are not always specified in the minutes or on the purchase order. Documentation to support the contracts utilized were not maintained by the District. Payments were made without verification that amounts billed to the District were in accordance with the respective contract.

The District paid \$931,095 to Northeastern Interiors, LLC for numerous general construction, carpentry and painting services. The minutes indicated two (2) contracts awarded to this vendor for a total of \$174,494 through the Hunterdon County Educational Services Commission cooperative purchasing program. Such cooperative purchasing contract was based on time and material rates for services provided. Payments were made to the vendor based on invoices which were lump sum amounts and were not properly itemized as to time and materials as stipulated in the cooperative purchasing agreement. Furthermore, certain contract awards to the vendor were made subsequent to the work performed.

Effect

District contract awards and payments of claims were not always in compliance with Public School Contracts Law.

Cause

Unknown.

Recommendation

- Contract for substitute personnel services be procured by public bid or competitive contracting.
- Documentation be maintained on file and made available for audit to support the District's awards pursuant to state contract and cooperative purchasing agreements.
- All invoices be itemized as to hourly rates, time and materials utilized for general construction services.
- In all instances, contract awards be approved by the Board prior to services rendered.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated that correction action will be taken.

**ROSELLE PUBLIC SCHOOLS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

STATUS OF PRIOR YEAR FINDINGS

There were none.