

**SCHOOL DISTRICT
OF
DOVER PUBLIC SCHOOLS**

**DOVER PUBLIC SCHOOL DISTRICT
Dover, New Jersey**

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

**Annual Comprehensive
Financial Report**

of the

DOVER PUBLIC SCHOOL DISTRICT

For the Fiscal Year Ended June 30, 2023

Prepared by

**Dover Board of Education
Finance Department**

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INTRODUCTORY SECTION
(UNAUDITED)



Atila Sabahoglu

**Business Administrator/
Board Secretary**

973-989-2000, ext. 5016
asabahoglu@dover-nj.org

21 Belmont Avenue, Dover, New Jersey 07801

Donna Iarrapino

**Assistant Business
Administrator**

973-989-2000, ext.5017
diarrapino@dover-nj.org

February 5, 2024

The Honorable President and Members of
the Board of Education
Dover Public School District
County of Morris, New Jersey 07801

Dear Board Members:

The annual comprehensive financial report of the Dover Public School District for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1) REPORTING ENTITY AND ITS SERVICES: The Dover Public School District is an independent entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Dover Public School District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and special education services. The District's total enrollment was 3,523 students on October 15, 2022 – an increase of 50 students from the previous year.

2) ECONOMIC CONDITION AND OUTLOOK:

Town of Dover

The Town has been attempting to attract businesses to relocate within its boundaries through several programs. It is anticipated that such programs may continue to revitalize the Town and attract more businesses, which will assist in increasing the needed ratable base.

The Town of Dover currently has several Payment In Lieu of Taxes (PILOT) agreements in place and is pursuing new agreements which could lead to additional apartment buildings in Town. The increases in student enrollment tied to these projects is impacting the School District due to the availability of space and funding. The administration is looking for solutions to increase the space for the students.

3) MAJOR INITIATIVES:

The Dover Public School District remained committed to welcome all students and to provide all students with opportunities in a safe and accepting learning environment.

The Dover Public School District has committed to providing its students with the greatest opportunity for success as exemplified by the acquisition and use of the LinkIt assessment and data storage program, the acquisition and use of the Canvas learning management system, and the expanded use of the Atlas Curriculum program. Extensive material acquisitions in both English and Spanish languages have been provided in the past year to our elementary schools to better meet the needs of our student population. Last year the district committed to a lease with St. Mary's of Wharton and opened DELC II, providing an additional four classrooms for preschool education and three specialized classrooms for students with disabilities.

The Dover Public School District remains committed to preparing students for 21st Century Life and Careers. All initiatives are concomitant with the District's mission: "Working together as a community, our mission is to welcome all and provide opportunities for our students in a safe and accepting learning environment to become creative, empathetic, resilient, and who choose to make an impact".

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by a vote of the Board of Education. Annual appropriated budgets are adopted for the general, special revenue and the debt service funds. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year end are either cancelled or are re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as restrictions, commitments or assignments of fund balance at June 30, 2023.

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

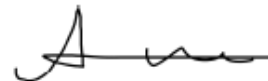
7) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The Auditors' Report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The Auditors' Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

8) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Dover Public School District for their concern in providing fiscal accountability to the citizens of the Town of Dover and thereby contributing their full support to the development and maintenance of the District's financial operation. We would like to note our appreciation for the assistance rendered by all of the District's staff who helped in the preparation of this report.

Respectfully submitted,

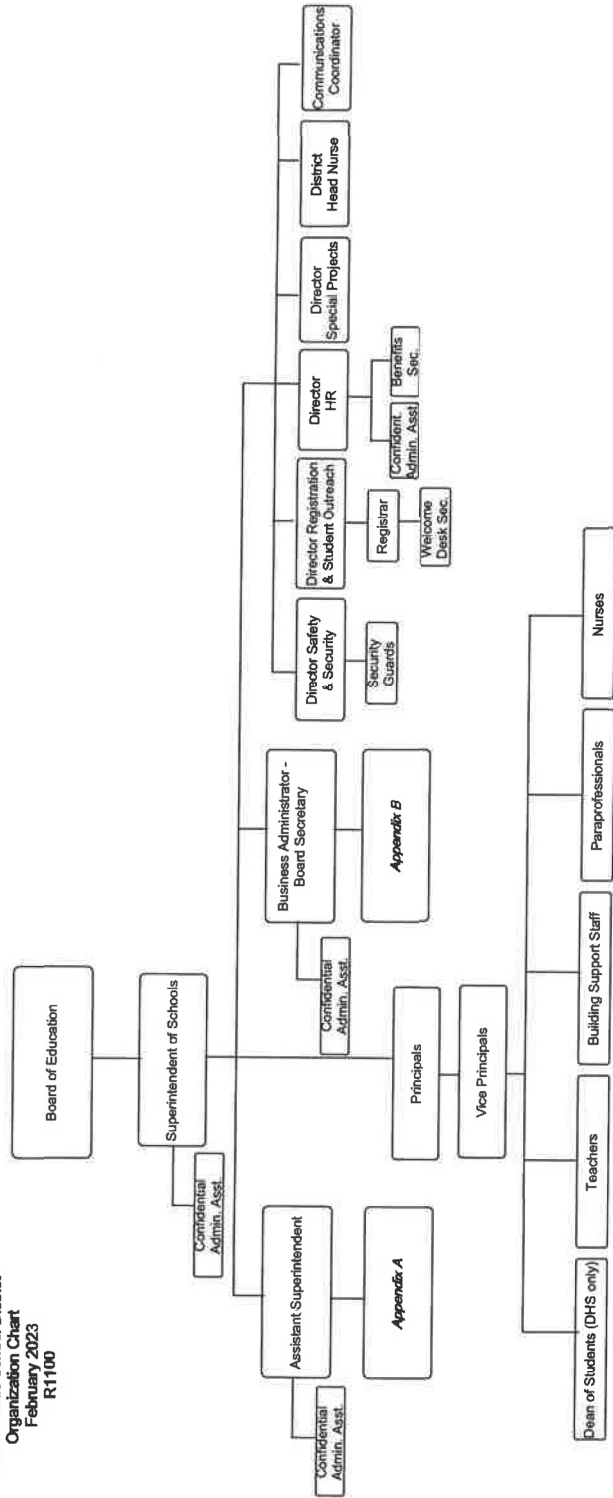


James V. McLaughlin
Superintendent of Schools

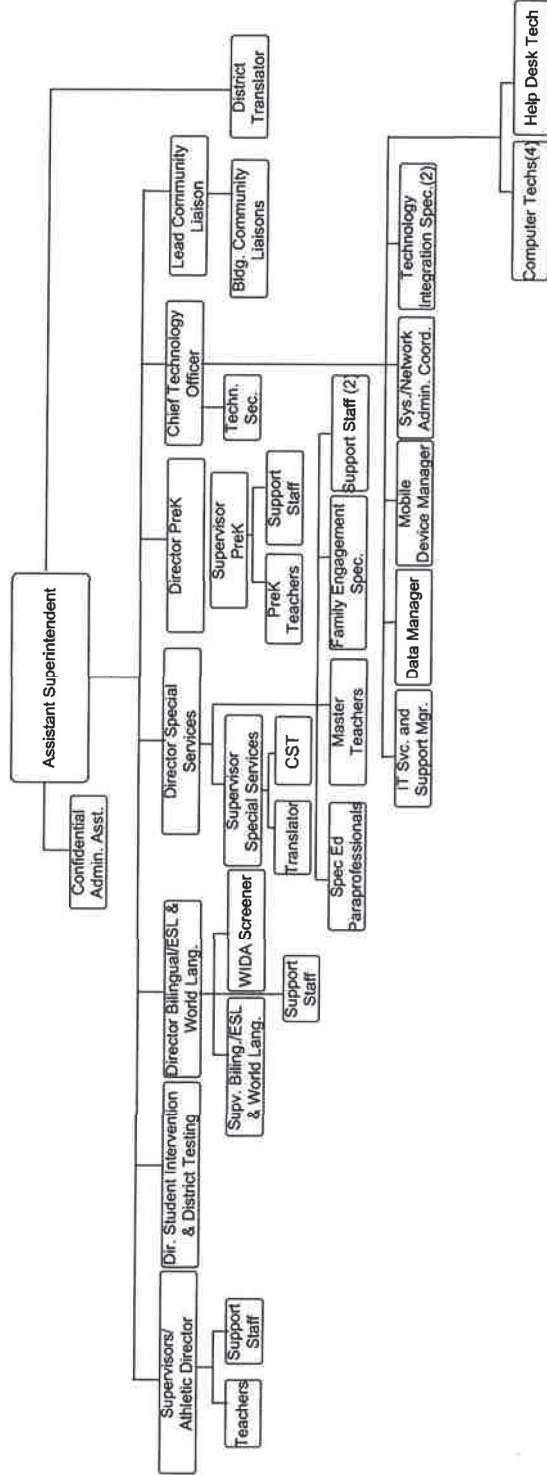


Atilla Sabahoglu
Business Administrator / Board Secretary

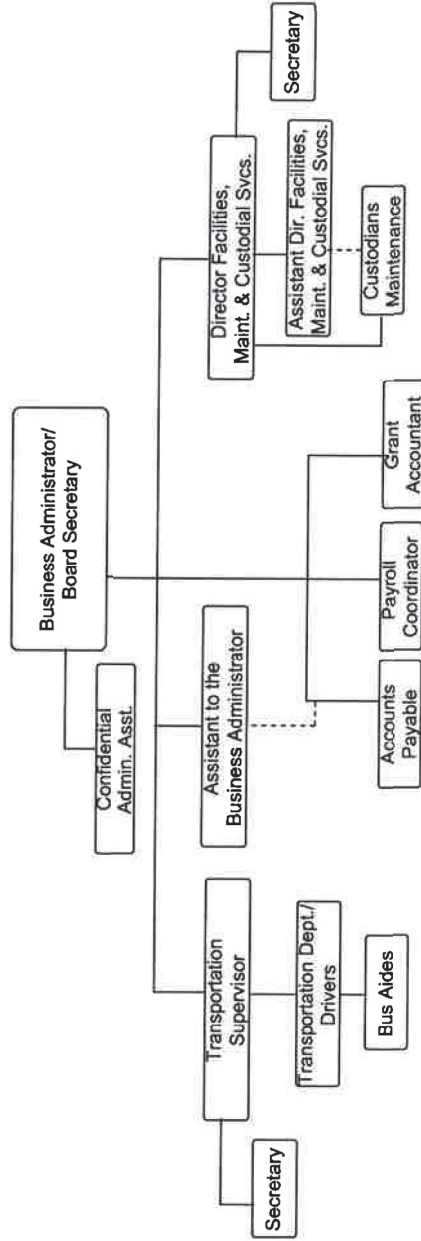
Dover Public School District
 Organization Chart
 February 2023
 RT1100



Dover Public School District
 Organization Chart
 APPENDIX A
 February 2023
 R1100



Dover Public School District
 Organization Chart
 APPENDIX B
 February 2023
 R1100



**DOVER PUBLIC SCHOOL DISTRICT
ROSTER OF OFFICIALS
JUNE 30, 2023**

Members of the Board of Education

Term Expires

Daniella Mendez, President	2024
Scott Miller, Vice-President	2024
Krista Seanor	2023
Dahiana Grisales	2023
Sandra Downs	2025
Tia Nutting	2024
Kimberly Phillips	2025
Benjamin Robles	2023
Debora Acevedo	2025

Other Officials

Title

James V. McLaughlin	Superintendent
Atila Sabahoglu	Business Administrator/Board Secretary (from 10/23/23)
Dana Sullivan	Interim Business Administrator/Board Secretary (7/1/23 to 10/23/23)
Raymond Slamb	Business Administrator/Board Secretary (to 6/30/23)
John Griffin	Treasurer
John E. Croot, Jr.	Board Attorney

DOVER PUBLIC SCHOOL DISTRICT
Consultants and Advisors

AUDITOR

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road Suite 300
Mount Arlington, NJ 07856-1320
and
Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860
and
1140 Route 22 East, Suite 203
Bridgewater, NJ 08807

BOARD ATTORNEY

Adams Gutierrez & Lattiboudere, LLC
555 Route 1 South, Suite 240
Iselin, NJ 08830

ARCHITECT OF RECORD

USA Architects Planners + Interior designers
20 North Doughty Avenue
Somerville, NJ 08876

OFFICIAL DEPOSITORY

Provident Bank
340 Route 46 East
Dover, New Jersey 07801

Valley National Bank
100 East Blackwell Street
Dover, New Jersey 07801

FINANCIAL SECTION

Independent Auditors' Report

The Honorable President and Members
of the Board of Education
Dover Public School District
County of Morris, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Dover Public School District (the "District"), in the County of Morris, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

February 5, 2024
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA LLP

Kathryn L. Mantell
Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

This section of Dover Public School District’s annual financial report presents its discussion and analysis of the District’s financial performance during the fiscal year ending June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

Overview of the Financial Statements

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

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

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

Figure A-1

Organization of the School District’s Financial Report

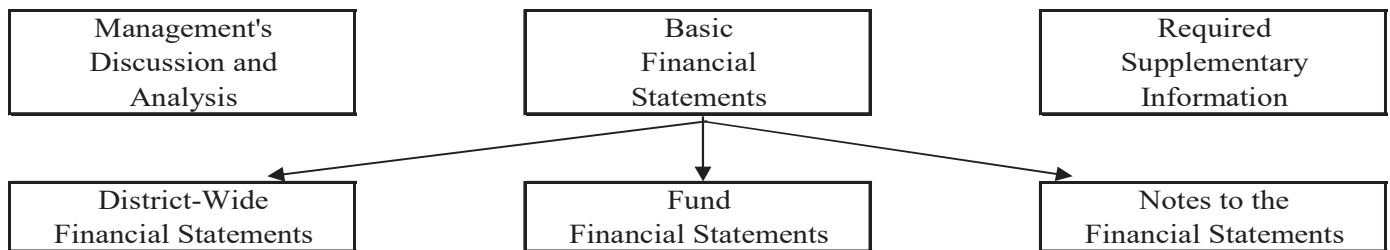


Figure A-2 summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and contents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

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

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

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has two kinds of funds:

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

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Fund Financial Statements

Notes to the Basic Financial Statements: Provide additional information essential to a full understanding of the District-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The District's combined net position increased by \$3,330,675. Net position from governmental activities increased by \$3,609,709 and net position from business-type activities decreased by \$279,034. Net investment in capital assets increased by \$3,456,024, restricted net position increased by \$333,355, and unrestricted net position decreased by \$458,704.

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage
	(Restated)		(Restated)		(Restated)		Change
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023
Current and							
Other Assets	\$ 17,710,803	\$ 16,804,517	\$ 825,589	\$ 1,166,103	\$ 18,536,392	\$ 17,970,620	
Lease Assets, Net	1,583,491	84,864			1,583,491	84,864	
Capital Assets, Net	30,666,232	28,159,432	497,239	503,245	31,163,471	28,662,677	
Total Assets	<u>49,960,526</u>	<u>45,048,813</u>	<u>1,322,828</u>	<u>1,669,348</u>	<u>51,283,354</u>	<u>46,718,161</u>	9.77%
Deferred Outflows of Resources	1,930,687	1,593,211			1,930,687	1,593,211	21.18%
Other Liabilities Long-Term Liabilities	9,309,855	7,653,570	175,360	242,846	9,485,215	7,896,416	
Total Liabilities	<u>11,572,222</u>	<u>9,199,363</u>	<u>175,360</u>	<u>242,846</u>	<u>11,572,222</u>	<u>9,199,363</u>	18.81%
Total Liabilities	<u>20,882,077</u>	<u>16,852,933</u>	<u>175,360</u>	<u>242,846</u>	<u>21,057,437</u>	<u>17,095,779</u>	
Deferred Inflows of Resources	1,183,978	3,573,642			1,183,978	3,573,642	-66.87%
Net Position:							
Net Investment in Capital Assets	28,278,509	24,816,479	497,239	503,245	28,775,748	25,319,724	
Restricted	9,772,821	9,439,466			9,772,821	9,439,466	
Unrestricted/(Deficit)	<u>(8,226,172)</u>	<u>(8,040,496)</u>	<u>650,229</u>	<u>923,257</u>	<u>(7,575,943)</u>	<u>(7,117,239)</u>	
Total Net Position	<u>\$ 29,825,158</u>	<u>\$ 26,215,449</u>	<u>\$ 1,147,468</u>	<u>\$ 1,426,502</u>	<u>\$ 30,972,626</u>	<u>\$ 27,641,951</u>	12.05%

Changes in Net Position. The District's combined net position was \$30,963,066 on June 30, 2023, an increase of \$3,330,675 or 12.05% over the previous year. (See Figure A-3). Net position in the governmental activities increased due primarily to the maturity of serial bonds, financed purchases payable and leases payable, capital assets additions, an increase in capital and maintenance reserves and changes in net pension liability and related deferred outflows and inflows; offset by capital and lease assets depreciation and amortization expense, a decrease in excess surplus and a decrease in General Fund unassigned fund balance. An explanation for the change in net position for business-type activities is included later in this section of the report.

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities <u>2022/2023</u>	Business- Type Activities <u>2022/2023</u>	Governmental Activities <u>2021/2022</u>	Business- Type Activities <u>2021/2022</u>	Total School District <u>2022/2023</u>	Total School District <u>2021/2022</u>	Percentage Change <u>2022/2023</u>
Revenue:							
Program Revenue:							
Charges for Services	\$ 2,411,565	\$ 537,878	\$ 2,646,491	\$ 207,664	\$ 2,949,443	\$ 2,854,155	
Operating Grants and Contributions	29,099,178	2,367,439	26,924,023	2,763,286	31,466,617	29,687,309	
General Revenue:							
Property Taxes	17,231,651		17,262,451		17,231,651	17,262,451	
Unrestricted State and Federal Aid	42,104,640		33,903,727		42,104,640	33,903,727	
Tuition Charges							
Other	888,817		772,414		888,817	772,414	
Total Revenue	<u>91,735,851</u>	<u>2,905,317</u>	<u>81,509,106</u>	<u>2,970,950</u>	<u>94,641,168</u>	<u>84,480,056</u>	12.03%
Expenses:							
Instruction	42,695,932		39,972,297		42,695,932	39,972,297	
Pupil and Instruction Services	24,386,268		20,298,366		24,386,268	20,298,366	
Administrative and Business	7,394,206		6,322,156		7,394,206	6,322,156	
Maintenance and Operations	7,529,118		5,835,672		7,529,118	5,835,672	
Transportation	6,066,997		4,700,988		6,066,997	4,700,988	
Other	53,621	3,184,351	1,183,465	2,776,509	3,237,972	3,959,974	
Total Expenses	<u>88,126,142</u>	<u>3,184,351</u>	<u>78,312,944</u>	<u>2,776,509</u>	<u>91,310,493</u>	<u>81,089,453</u>	12.60%
Increase/(Decrease) in Net Position	<u>\$ 3,609,709</u>	<u>\$ (279,034)</u>	<u>\$ 3,196,162</u>	<u>\$ 194,441</u>	<u>\$ 3,330,675</u>	<u>\$ 3,390,603</u>	-1.77%

Governmental Activities

The financial position of the District improved significantly. However, maintaining existing programs while experiencing changes in enrollment, combined with rising salary and benefits costs, places great demands on the District's resources.

Careful management of expenses remains essential for the District to sustain its financial health. The many significant cost savings actions realized during the year were attributable to:

- Employee retirements and replacements.
- Employee contributions towards health care.
- Standard practice has been to maintain lower costs by seeking competitive proposals each year and seeking opportunities for shared services by joining more regional Co-ops to enhance purchasing power.

It is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

Figure A-5

	Net Cost of Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2022/2023</u>	<u>2022/2023</u>	<u>2021/2022</u>	<u>2021/2022</u>
Instruction	\$ 42,695,932	\$ 26,629,549	\$ 39,972,297	\$ 22,432,965
Pupil and Instruction Services	24,386,268	10,299,188	20,298,366	11,028,819
Administrative and Business	7,394,206	6,450,089	6,322,156	5,460,300
Maintenance and Operations	7,529,118	7,529,118	5,835,672	5,707,919
Transportation	6,066,997	5,653,834	4,700,988	2,928,962
Other	53,621	53,621	1,183,465	1,183,465
	<u>\$ 88,126,142</u>	<u>\$ 56,615,399</u>	<u>\$ 78,312,944</u>	<u>\$ 48,742,430</u>

Business-Type Activities

Net position from the District's business-type activities (solely associated with its Food Service operations) decreased by \$279,034 during the fiscal year.

The free meals and federal subsidies associated with the federal Seamless Summer Option Program ended June 30, 2022. Increases in operating expenses due to inflation exceeded the increase in operating sales revenue and reduction in federal subsidies during the fiscal year.

Financial Analysis of the District's Funds

The fund balances of the District's Governmental Funds increased \$633,788 on the GAAP basis during the fiscal year.

The fund balance of the General Fund decreased by \$663,079 and the Special Revenue Fund increased by \$29,291.

General Fund Budgetary Highlights

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

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Capital Assets

The District's capital assets increased by \$2,500,794 or 8.72% - as shown in Figure A-6. (More detailed information about the District's capital assets is presented in Note 7 to the financial statements.)

**Figure A-6
Capital Assets (Net of Depreciation)**

	Government Activities		Business-Type Activities		Total School District		Percentage Increase 2022/2023
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	Restated 2021/2022	
Sites (Land)	\$ 497,100	\$ 497,100			\$ 497,100	\$ 497,100	
Construction in Progress	523,000				523,000		
Sites and Site Improvements	24,963,425	24,698,096			24,963,425	24,698,096	
Buildings and Building Improvements	1,004,129	253,341			1,004,129	253,341	
Machinery and Equipment	3,678,578	2,710,895	\$ 497,239	\$ 503,245	4,175,817	3,214,140	
Total Capital Assets (Net of Depreciation)	\$ 30,666,232	\$ 28,159,432	\$ 497,239	\$ 503,245	\$31,163,471	\$ 28,662,677	8.72%

During the fiscal year, the District acquired or constructed \$4,210,174 (\$4,175,438 from its governmental activities and \$34,736 from its business-type activities) in capital asset additions for various capital projects; offset by \$1,709,380 in current year depreciation (\$1,668,638 from its governmental activities and \$40,742 from its business-type activities).

Long-term Liabilities

The District's long term liabilities increased by \$2,372,859 or 25.79% – as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 9 to the financial statements.)

**Figure A-7
Outstanding Long-Term Liabilities**

	Total School District		Percentage Change 2022/2023
	2022/2023	2021/2022	
Serial Bonds Payable	\$ 1,979,000	\$ 2,611,000	
Compensated Absences Payable	634,443	474,855	
Financed Purchases Payable	414,247	715,120	
Leases Payable	1,577,967	101,697	
Net Pension Liability - PERS	6,966,565	5,296,691	
	\$ 11,572,222	\$ 9,199,363	25.79%

**DOVER PUBLIC SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Long-term Liabilities (Cont'd)

- The District continued to pay down its bonded debt, retiring \$632,000.
- The District paid down \$300,873 in financed purchases principal during the fiscal year.
- The District entered into two lease agreements totaling \$1,832,441 for buildings (classroom space) and paid down \$356,171 in leases principal during the fiscal year.
- Compensated absences payable increased by a net amount of \$159,588.
- Net pension liability increased by \$1,669,874.

Financial Analysis of the District's Funds

The District's General Fund financial status improved despite difficult economic times which have had a direct impact upon increasing costs related to the District's fixed expenditures.

All of these factors are likely to continue for the next several years. To maintain a stable financial position, the District must continue to practice sound fiscal management.

Factors Bearing on the District's Future

The Dover Public School District is currently in good and stable financial condition. ESSER ARP grant will be ending at the end of next year. It will be a challenge to continue some of the programs that were put in place and funded from this grant. Economic indicators appear to be more positive as evidenced by increased business activity, low unemployment and a decrease in property reassessments. Additionally, the District has had an uptick in State Aid and it is anticipated that this will continue under the current state administration. It has been stated that the goal is to fully fund the SFRA formula for all previously underfunded districts. The Dover Public School District is committed to maintaining fiscal responsibility as well as achieving educational excellence for all students of the District.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office at 21 Belmont Avenue, Dover, New Jersey 07801.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents		\$ 534,271	\$ 534,271
Tax Levy Receivable	\$ 2,771,744		2,771,744
Receivables from State Government	1,331,672	5,790	1,337,462
Receivables from Federal Government	3,152,111	146,457	3,298,568
Receivables from Other Governments	693,205		693,205
Other Accounts Receivables	4,250	106,386	110,636
Inventories		32,685	32,685
Restricted Cash and Cash Equivalents	9,757,821		9,757,821
Capital Assets, Net:			
Sites (Land) and Construction in Progress	1,020,100		1,020,100
Depreciable Site Improvements, Buildings & Building Improvements and Machinery and Equipment	29,646,132	497,239	30,143,371
Lease Assets, net	1,583,491		1,583,491
Total Assets	<u>49,960,526</u>	<u>1,322,828</u>	<u>51,283,354</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>			
Deferred Outflows Related to Pensions	1,930,687		1,930,687
Total Deferred Outflows of Resources	<u>1,930,687</u>		<u>1,930,687</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	7,095,475	162,248	7,257,723
Payable to State Government	9,753		9,753
Unearned Revenue	2,204,627	13,112	2,217,739
Noncurrent Liabilities:			
Due Within One Year	1,346,092		1,346,092
Due Beyond One Year	10,226,130		10,226,130
Total Liabilities	<u>20,882,077</u>	<u>175,360</u>	<u>21,057,437</u>
<u>DEFERRED INFLOW OF RESOURCES</u>			
Deferred Inflows Related to Pensions	1,183,978		1,183,978
Total Deferred Inflows of Resources	<u>1,183,978</u>		<u>1,183,978</u>
<u>NET POSITION</u>			
Net Investment in Capital Assets	28,278,509	497,239	28,775,748
Restricted for:			
Capital Projects	7,704,547		7,704,547
Maintenance	1,513,143		1,513,143
Unemployment Compensation	226,242		226,242
Student Activities	173,265		173,265
Scholarships	155,624		155,624
Unrestricted/(Deficit)	(8,226,172)	650,229	(7,575,943)
Total Net Position	<u>\$ 29,825,158</u>	<u>\$ 1,147,468</u>	<u>\$ 30,972,626</u>

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

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 34,166,237	\$ 1,941,127	\$ 8,955,008	\$ (23,270,102)	\$	\$ (23,270,102)
Special Education	4,343,597	122,823	4,449,124	228,350		228,350
Other Special Instruction	3,092,570		591,419	(2,501,151)		(2,501,151)
Other Instruction	1,093,528		6,882	(1,086,646)		(1,086,646)
Support Services:						
Tuition	6,410,333		729,434	(5,680,899)		(5,680,899)
Student and Instruction Related Services	17,975,935	347,615	13,010,031	(4,618,289)		(4,618,289)
General Administrative Services	1,642,706		142,299	(1,500,407)		(1,500,407)
School Administrative Services	4,478,437		751,154	(3,727,283)		(3,727,283)
Central Services	1,206,789		50,664	(1,156,125)		(1,156,125)
Administrative Information Technology	66,274			(66,274)		(66,274)
Plant Operations and Maintenance	7,529,118			(7,529,118)		(7,529,118)
Pupil Transportation	6,066,997		413,163	(5,653,834)		(5,653,834)
Transfer of Funds to Charter School	10,021			(10,021)		(10,021)
Interest on Long-Term Debt	43,600			(43,600)		(43,600)
Total Governmental Activities	88,126,142	2,411,565	29,099,178	(56,615,399)		(56,615,399)
Business-Type Activities:						
Food Service	3,184,351	537,878	2,367,439		\$ (279,034)	(279,034)
Total Business-Type Activities	3,184,351	537,878	2,367,439		(279,034)	(279,034)

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Total Primary Government	\$ 91,310,493	\$ 2,949,443	\$ 31,466,617	\$ (56,615,399)	\$ (279,034)	\$ (56,894,433)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				16,556,051		16,556,051
Taxes Levied for Debt Service				675,600		675,600
Federal, State and Local Aid not Restricted				42,104,640		42,104,640
Interest Earnings				291,447		291,447
Miscellaneous Income				597,370		597,370
Total General Revenues				60,225,108		60,225,108
Change in Net Position				3,609,709	(279,034)	3,330,675
Net Position - Beginning (Restated)				26,215,449	1,426,502	27,641,951
Net Position - Ending				\$ 29,825,158	\$ 1,147,468	\$ 30,972,626

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

FUND FINANCIAL STATEMENTS

DOVER PUBLIC SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Interfund Receivable		\$ 251,997		\$ 251,997
Tax Levy Receivable	\$ 2,659,807		\$ 111,937	2,771,744
Receivables From State Government	1,331,672			1,331,672
Receivables From Federal Government		3,152,111		3,152,111
Receivables From Other Governments	693,205			693,205
Other Accounts Receivables	4,250			4,250
Restricted Cash and Cash Equivalents	9,443,932	313,889		9,757,821
Total Assets	\$ 14,132,866	\$ 3,717,997	\$ 111,937	\$ 17,962,800
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 4,732,465	\$ 1,654,799		\$ 6,387,264
Payable to State Government		9,753		9,753
Interfund Payable	140,060		111,937	251,997
Unearned Revenue		2,204,627		2,204,627
Total Liabilities	4,872,525	3,869,179	111,937	8,853,641
Fund Balances:				
Restricted:				
Capital Reserve Account	7,704,547			7,704,547
Maintenance Reserve Account	1,513,143			1,513,143
Unemployment Compensation	226,242			226,242
Student Activities		173,265		173,265
Scholarships		155,624		155,624
Unassigned/(Deficit)	(183,591)	(480,071)		(663,662)
Total Fund Balances/(Deficit)	9,260,341	(151,182)		9,109,159
Total Liabilities and Fund Balances	\$ 14,132,866	\$ 3,717,997	\$ 111,937	\$ 17,962,800

DOVER PUBLIC SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Total
Governmental
Funds

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

Total Fund Balances from previous page	\$ 9,109,159
Capital Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.	30,666,232
Leased Assets Used in Governmental Activities are not Financial Resources and Therefore are not Reported in the Funds.	1,583,491
Long-Term Liabilities, including the Net Pension Liability for PERS, Bonds Payable, Leases Payable and Financed Purchases Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	(11,572,222)
District contributions subsequent to the measurement date are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the Statement of Net Position.	(708,211)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds.	
Deferred Outflows	1,930,687
Deferred Inflows	<u>(1,183,978)</u>
Net Position of Governmental Activities	<u>\$ 29,825,158</u>

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

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES:				
Local Sources:				
Local Tax Levy	\$ 16,556,051		\$ 675,600	\$ 17,231,651
Tuition from Other LEAs	2,063,950			2,063,950
Interest Earned on Capital Reserve Funds	152,050			152,050
Interest Earned on Maintenance Reserve Funds	13,143			13,143
Restricted Miscellaneous Revenue	89,867	\$ 435,482		525,349
Unrestricted Miscellaneous Revenue	633,757	1,499		635,256
Total - Local Sources	19,508,818	436,981	675,600	20,621,399
State Sources	58,287,431	5,321,142		63,608,573
Federal Sources	204,770	11,478,319		11,683,089
Total Revenues	78,001,019	17,236,442	675,600	95,913,061
EXPENDITURES:				
Current:				
Regular Instruction	18,355,653	4,858,761		23,214,414
Special Education Instruction	2,747,599	25,059		2,772,658
Other Special Instruction	1,849,614			1,849,614
School-Sponsored/Other Instruction	839,691			839,691
Support Services and Undistributed Costs:				
Tuition	5,680,899	729,434		6,410,333
Student and Other Instruction Related Services	6,120,023	9,400,019		15,520,042
General Administrative Services	1,168,478			1,168,478
School Administrative Services	2,749,709			2,749,709
Central Services	895,508			895,508
Administrative Information Technology	64,607			64,607
Plant Operations and Maintenance	6,549,704			6,549,704
Student Transportation	5,376,654			5,376,654
Unallocated Benefits	23,152,085			23,152,085
Debt Service:				
Principal			632,000	632,000
Interest and Other Charges			43,600	43,600
Capital Outlay	3,745,930	3,384,242		7,130,172
Transfer of Funds to Charter School	10,021			10,021
Total Expenditures	79,306,175	18,397,515	675,600	98,379,290
Excess/(Deficit) of Revenue Over/(Under) Expenditures	(1,305,156)	(1,161,073)		(2,466,229)
Other Financing Sources/(Uses):				
Leases (Non-Budgeted)	1,832,441			1,832,441
Transfers	(1,190,364)	1,190,364		
Total Other Financing Sources/(Uses)	642,077	1,190,364		1,832,441
Net Change in Fund Balances	(663,079)	29,291		(633,788)
Fund Balance/(Deficit) - July 1	9,923,420	(180,473)		9,742,947
Fund Balance/(Deficit) - June 30	\$ 9,260,341	\$ (151,182)	\$ - 0 -	\$ 9,109,159

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

DOVER PUBLIC SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ (633,788)
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays related to capital assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays differ from depreciation in the period.		
Depreciation Expense	\$ (1,668,638)	
Capital Asset Additions	4,175,438	2,506,800
Capital outlays related to lease assets are reported in Governmental Funds as expenditures. However, in the Statement of Activities the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period.		
	Amortization Expense (333,814)	
	Lease Asset Additions 1,832,441	1,498,627
Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		632,000
Leases entered into by the District are an other financing source in the Governmental Funds, but the acquisition increases Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		(1,832,441)
Repayment of leases is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		356,171
Repayment of financed purchases is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		
		300,873
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		
Change in Net Pension Liability		(1,669,874)
Change in Deferred Outflows		221,265
Change in Deferred Inflows		2,389,664
In the statement of activities, certain operating expenses, e.g., compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		(159,588)
Change in Net Position of Governmental Activities		\$ 3,609,709

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

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-type Activities - Enterprise Funds Food Service
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 534,271
Intergovernmental Accounts Receivable:	
State	5,790
Federal	146,457
Other Accounts Receivable	106,386
Inventories	32,685
	825,589
Total Current Assets	825,589
Non-Current Assets:	
Capital Assets	887,855
Less: Accumulated Depreciation	(390,616)
	497,239
Total Non-Current Assets	497,239
Total Assets	1,322,828
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable - Vendors	129,571
Accounts Payable - Capital Assets	32,677
Unearned Revenue - Donated Commodities	7,237
Unearned Revenue - Prepaid Sales	5,875
	175,360
Total Liabilities	175,360
<u>NET POSITION:</u>	
Investment in Capital Assets	497,239
Unrestricted	650,229
	1,147,468
Total Net Position	\$ 1,147,468

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

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds Food Service
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 236,543
Daily Sales - Non-Reimbursable Programs	298,141
Miscellaneous Revenue	3,194
Total Operating Revenue	537,878
Operating Expenses:	
Cost of Sales - Reimbursable Programs	497,131
Cost of Sales - Non-Reimbursable Programs	777,565
Salaries, Benefits & Payroll Taxes	1,054,565
Other Purchased Services	18,978
Supplies, Insurance and Other Costs	648,165
Management Fee	144,629
Miscellaneous Expenses	2,576
Depreciation Expense	40,742
Total Operating Expenses	3,184,351
Operating Loss	(2,646,473)
Non-Operating Income:	
State Sources:	
State School Breakfast Program	8,567
State School Lunch Program	47,614
State After the Bell Program	17,764
Summer Food Service Program - State Supplement	2,247
Federal Sources:	
School Breakfast Program	418,615
National School Lunch Program	1,355,773
Fresh Fruit and Vegetable Program	89,715
Summer Food Service Program	85,706
Supply Chain Assistance	157,757
Local Food for School Lunches	120
Paycheck Protection Plan Loan Reimbursement from Food Service Management Contractor	132,191
Food Distribution Program	51,370
Total Non-Operating Income	2,367,439
Change in Net Position	(279,034)
Net Position - Beginning of Year (Restated)	1,426,502
Net Position - End of Year	\$ 1,147,468

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

DOVER PUBLIC SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Business-type Activities - Enterprise Funds <u>Food Service</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 437,367
Payments to Food Service Contractor	(2,541,249)
Payments to/for Employees	(42,226)
Payments for Suppliers	<u>(617,843)</u>
Net Cash Used for Operating Activities	<u>(2,763,951)</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	<u>(2,059)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(2,059)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources Collected in Food Service Fund	73,707
Federal Sources Collected in Food Service Fund	<u>2,292,102</u>
Net Cash Provided by Noncapital Financing Activities	<u>2,365,809</u>
Net Decrease in Cash and Cash Equivalents	(400,201)
Cash and Cash Equivalents, July 1	<u>934,472</u>
Cash and Cash Equivalents, June 30	<u>\$ 534,271</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating Loss	\$ (2,646,473)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	40,742
Food Distribution Program	51,370
Changes in Assets and Liabilities:	
Increase in Unearned Revenue - Donated Commodities	7,193
Increase in Unearned Revenue - Prepaid Sales	5,875
(Decrease) in Accounts Payable	(113,231)
(Increase) in Other Accounts Receivable	(106,386)
(Increase) in Inventory	<u>(3,041)</u>
Net Cash Used for Operating Activities	<u>\$ (2,763,951)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$58,563 and utilized U.S.D.A. Commodities valued at \$51,370.

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

B. Basis of Presentation (Cont'd)

District-Wide Financial Statements: (Cont'd)

Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, lease assets or subscription assets (other than those financed by proprietary funds).

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

B. Basis of Presentation (Cont'd)

Fund Financial Statements: (Cont'd)

Capital Projects Fund: The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects. The district has no active capital projects accounted for in the Capital Projects Fund currently.

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

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting

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

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue and Debt Service Funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

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

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 78,833,803	\$ 16,001,378
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis does not:		
Current Year Encumbrances		(242,378)
Cancellation of Prior Year Encumbrances		(87,431)
Prior Year Encumbrances		2,765,455
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	3,741,192	469,853
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(4,573,976)	(480,071)
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 78,001,019	\$ 18,426,806
	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 79,306,175	\$ 15,961,869
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		(242,378)
Cancellation of Prior Year Encumbrances		(87,431)
Prior Year Encumbrances		2,765,455
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 79,306,175	\$ 18,397,515

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

E. Cash and Cash Equivalents and Investments

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

The District generally records investments at fair value and records the unrealized gains and losses as part of investment income. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the general or enterprise funds represent payments made to vendors for services that will benefit periods beyond June 30, 2023.

K. Capital Assets:

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Site Improvements	20 years
Buildings and Building Improvements	50 years
Machinery and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

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

L. Lease Assets:

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

M. Subscription Assets:

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

N. Long Term Liabilities:

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

O. Accrued Salaries and Wages

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2023.

P. Compensated Absences:

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

P. Compensated Absences: (Cont'd)

District employees are granted varying amounts of vacation and sick leave in accordance with the District's various employee contracts/agreements. Upon termination, employees are paid for accrued vacation. The District's various employee contracts/agreements permit employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee contracts/agreements.

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

Q. Lease Payable:

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

R. Subscriptions Payable:

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

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned.

T. Fund Balance Appropriated:

General Fund: Of the \$9,260,341 General Fund Balance at June 30, 2023, \$7,704,547 is restricted in the capital reserve account; \$1,513,143 is restricted in the maintenance reserve account; \$226,242 is restricted for unemployment compensation; \$-0- is assigned for year-end encumbrances, which is \$987,734 less than on a budgetary basis due to the final state aid payments which are not recognized until the fiscal year ending June 30, 2024; \$-0- of assigned fund balance designated for subsequent year's expenditures, which is \$1,835,386 less than on a budgetary basis due to the final state aid payments which are not recognized until the fiscal year ending June 30, 2024 and there is a deficit of (\$183,591) which is unassigned (which is \$1,750,856 less than the budgetary basis due to the non-recognition of the last two state aid payments on the GAAP basis).

Special Revenue Fund: Of the (\$151,182) Special Revenue Fund fund balance at June 30, 2023, \$173,265 is restricted for student activities; \$155,624 is restricted for scholarships; offset by a deficit of \$480,071 in unassigned fund balance. This deficit is due to the last two June state aid payments, which are not recognized until the fiscal year ended June 30, 2024 on a GAAP basis.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (s1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has no excess surplus at June 30, 2023.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

T. Fund Balance Appropriated: (Cont'd)

P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments noted above.

U. Deficit Net Position and Fund Balance:

The District has a deficit in unrestricted net position of \$8,226,172 in governmental activities, which is primarily due to compensated absences payable, deferred inflows related to pensions and net pension liability; net of deferred outflows related to pensions. The District has a deficit in fund balance of \$183,591 in the General Fund and \$480,071 in the Special Revenue Fund as of June 30, 2023 as a result of the last two state aid payments that are not recognized on a GAAP basis. These deficits do not indicate that the District is in financial difficulties. These deficits are a permitted practice under generally accepted accounting principles.

V. Net Position:

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows and inflows of resources at June 30, 2023 related to pension.

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

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

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

W. Fund Balance Restrictions, Commitments and Assignments:

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

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

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had no committed resources at June 30, 2023.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for the 2023/2024 budget and encumbrances on the budgetary basis in the General Fund at June 30, 2023.

X. Revenue - Exchange and Non-exchange Transactions:

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

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

Y. Operating Revenue and Expenses:

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

Z. Management Estimates:

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

AA. Pensions:

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

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

Deposits:

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

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

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

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

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

Investments:

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

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

Investments:

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

Investments: (Cont'd)

As of June 30, 2023, cash and cash equivalents of the District consisted of the following:

	Restricted Cash and Cash Equivalents	Cash and Cash Equivalents	Total
Checking Accounts	\$ 9,757,821	\$ 534,271	\$ 10,292,092

During the period ended June 30, 2023, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$10,292,092 and the bank balance was \$12,349,015.

NOTE 4. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2023, the District made a \$104,147 transfer to capital outlay for equipment which did not require county superintendent approval.

NOTE 5. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Board resolution for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) 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 account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity for the Capital Reserve Account for the fiscal year ended June 30, 2023 is as follows:

Beginning Balance, July 1, 2022	\$ 5,784,617
Interest Earnings	152,050
Deposit by Board Resolution - June 2023	1,767,880
Ending Balance, June 30, 2023	\$ 7,704,547

The balance in the capital reserve account at June 30, 2023 does not exceed the LRFP balance of local support costs of uncompleted capital projects.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 6. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$1,000,000 was established by the Dover Public School District Board of Education on June 23, 2011. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance. These funds are restricted to be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district’s school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year’s budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2022	\$ 500,000
Interest Earnings	13,143
Deposit by Board Resolution - June 2023	<u>1,000,000</u>
Ending Balance, June 30, 2023	<u><u>\$1,513,143</u></u>

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2023 were as follows:

	<u>Beginning Balance (as Restated)</u>	<u>Increases</u>	<u>Adjustments/ Decreases</u>	<u>Ending Balance</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 853,119	\$ 34,736		\$ 887,855
Less: Accumulated Depreciation	<u>(349,874)</u>	<u>(40,742)</u>		<u>(390,616)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 503,245</u>	<u>\$ (6,006)</u>	<u>\$ -0-</u>	<u>\$ 497,239</u>

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

	Beginning Balance (as Restated)	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 497,100			\$ 497,100
Construction in Progress		\$ 523,000		523,000
Total Capital Assets Not Being Depreciated	<u>497,100</u>	<u>523,000</u>		<u>1,020,100</u>
Capital Assets Being Depreciated:				
Site Improvements	49,382,843	1,415,400		50,798,243
Buildings and Building Improvements	517,803	775,355		1,293,158
Machinery and Equipment	4,616,321	1,461,683		6,078,004
Total Capital Assets Being Depreciated	<u>54,516,967</u>	<u>3,652,438</u>		<u>58,169,405</u>
Governmental Activities Capital Assets	<u>55,014,067</u>	<u>4,175,438</u>		<u>59,189,505</u>
Less Accumulated Depreciation for:				
Site Improvements	(24,684,747)	(1,150,071)		(25,834,818)
Buildings and Building Improvements	(264,462)	(24,567)		(289,029)
Machinery and Equipment	(1,905,426)	(494,000)		(2,399,426)
	<u>(26,854,635)</u>	<u>(1,668,638)</u>		<u>(28,523,273)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 28,159,432</u>	<u>\$ 2,506,800</u>	<u>\$ -0-</u>	<u>\$ 30,666,232</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 527,802
Special Education	83,986
Other Special Instruction	59,939
Other Instruction	61,460
Student and Instruction Related Services	176,559
General Administrative Services	86,707
School Administrative Services	85,543
Central Services	23,492
Plant Operations and Maintenance	286,763
Pupil Transportation	276,387
	<u>\$ 1,668,638</u>

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 8. LEASE ASSETS

Lease asset balances and activities for the year ended June 30, 2023 were as follows:

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Lease Assets Being Amortized:				
Buildings and Building Improvements		\$ 1,832,441		\$ 1,832,441
Machinery and Equipment	\$ 138,238			138,238
Total Lease Assets Being Amortized	138,238	1,832,441		1,970,679
Governmental Activities Lease Assets	138,238	1,832,441		1,970,679
Less Accumulated Amortization for:				
Buildings and Building Improvements		(321,920)		(321,920)
Machinery and Equipment	(53,374)	(11,894)		(65,268)
	(53,374)	(333,814)		(387,188)
Governmental Activities Lease Assets, Net of Accumulated Amortization	\$ 84,864	\$ 1,498,627	\$ -0-	\$ 1,583,491

Amortization expense was charged to governmental functions as follows:

Special Education	\$ 321,920
Administrative Information Technology	11,894
	<u>\$ 333,814</u>

NOTE 9. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2023, the following changes occurred in liabilities reported in the district-wide financial statements:

	Balance 6/30/2022	Accrued	Retired	Balance 6/30/2023	Due Within One Year
Serial Bonds Payable	\$ 2,611,000		\$ 632,000	\$ 1,979,000	\$ 647,000
Compensated Absences Payable	474,855	\$ 159,588		634,443	
Financed Purchases Payable	715,120		300,873	414,247	300,792
Leases Payable	101,697	1,832,441	356,171	1,577,967	398,300
Net Pension Liability - PERS	5,296,691	1,669,874		6,966,565	
	<u>\$ 9,199,363</u>	<u>\$ 3,661,903</u>	<u>\$ 1,289,044</u>	<u>\$ 11,572,222</u>	<u>\$ 1,346,092</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. Bonds issued by the Board are general obligation bonds and are retired in serial installments within the statutory period of usefulness. The Debt Service Fund will be used to liquidate the bonds payable.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

On February 17, 2022, the District issued Refunding School Bonds in the amount of \$2,611,000 with an interest rate of 1.488% to currently refund \$2,580,000 of its 2012 School Bonds with an interest of 4.0%. The Refunding School Bonds mature on April 1, 2023 through April 1, 2026 and are not subject to redemption prior to maturity. The net proceeds from the issuance of the Refunding School Bonds were used to purchase U.S. governmental securities until the 2012 School Bonds were called on April 1, 2022. The refunding met the requirements of an in-substance debt defeasance, and the 2012 School Bonds were removed from the District's government-wide financial statements.

As a result of the refunding, the District will realize \$129,562.50 in cash savings over the life of the bond issue and \$125,115.90 (net) on the net present value basis, or (4.85%) of the refunded bonds.

The District had bonds outstanding as of June 30, 2023 as follows:

<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
School Refunding Bonds	4/1/26	4.00%	<u>\$1,979,000</u>

Principal and interest due on serial bonds outstanding are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 647,000	\$ 29,447	\$ 676,447
2025	662,000	19,820	681,820
2026	<u>670,000</u>	<u>9,970</u>	<u>679,970</u>
	<u>\$ 1,979,000</u>	<u>\$ 59,237</u>	<u>\$ 2,038,237</u>

B. Bonds Authorized But Not Issued

As of June 30, 2023, the District had no bonds authorized but not issued.

C. Finance Purchases Payable

The District has financed purchase agreements for computer equipment valued at \$1,203,170, of which \$788,923 has matured and been repaid. The finance purchase agreements are for five-year terms and will be liquidated by the General Fund. The following is a schedule of the future payments under these finance purchases, and the present value of the net minimum payments at June 30, 2023:

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

C. Finance Purchases Payable (Cont'd)

Year	Amount
2024	\$ 300,792
2025	113,455
Present Value Net of Minimum Financed Purchases Payments	\$ 414,247

The current portion of the finance purchase payable at June 30, 2023 is \$300,792 and the long-term portion is \$113,455. The General Fund will be used to liquidate the financed purchases payable.

D. Leases Payable

The District had leases outstanding as of June 30, 2023 as follows:

Purpose	Leases Payable			
	Frequency of Payment	Final Maturity Date	Interest Rate	Amount
Pitney Bowes Academy Street	Quarterly	03/31/27	14.44%	\$ 1,660
Pitney Bowes Dover Board of Education	Quarterly	06/30/27	14.46%	3,225
Canon Copiers (UBS)	Monthly	01/01/26	1.57%	69,708
St. Clement (Connery Hall) - Classroom Space	Monthly	06/30/27	3.00%	394,476
St. Mary's Church (School) - Classroom Space	Monthly	08/31/27	3.00%	1,108,898
				\$1,577,967

Principal and interest due on leases outstanding will be liquidated through the General Fund are as follows:

Fiscal Year Ending June 30,	Governmental Activities	
	Principal	Interest
2024	\$ 398,300	\$ 17,663
2025	395,128	28,570
2026	380,511	39,598
2027	360,912	51,026
2028	43,116	6,906
	\$ 1,577,967	\$ 143,763

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

E. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in current and long-term portions. There is no current portion and the long-term portion of compensated absences of \$634,443.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, no liability existed for compensated absences in the Proprietary Fund. The General Fund will be used to liquidate the governmental activities Compensated Absences Payable.

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in current and long-term portions and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$6,966,565. See Note 10 for further information on the PERS.

NOTE 10. PENSION PLANS

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

The following represents the membership tiers for PERS:

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

Contributions

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

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

District contributions to PERS amounted to \$582,132 for fiscal year 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$14,658 to the PERS for normal pension benefits on behalf of the District.

The employee contribution rate was 7.50% effective July 1, 2022.

Special Funding Situation

A special funding situation exists for certain local employers of the PERS. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers Chapter 133, P.L. 2001. The special funding situation for Chapter 133, P.L. 2001 is due to the State paying the additional normal cost related to benefit improvements from Chapter 133. Previously, this additional normal cost was paid from the Benefit Enhancement Fund (BEF). As of June 30, 2022, there is no net pension liability associated with this special funding situation and there was no accumulated difference between the annual additional normal cost under the special funding situation and the actual State contribution through the valuation date. The State special funding situation for the fiscal year ending June 30, 2022, is the actuarially determined contribution amount that the State owes for the fiscal year ending June 30, 2022. The pension expense is deemed to be a State administrative expense due to the special funding situation.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

At June 30, 2023, the District reported a liability of \$6,966,565 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0462%, which was an increase of 0.0015% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit of \$358,925 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$14,658 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

There was no state proportionate share of net pension liability attributable to the District as of June 30, 2023.

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Year of Deferral</u>	<u>Amortization Period in Years</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	2018	5.63		\$ 167,463
	2019	5.21		209,272
	2020	5.16		615,373
	2021	5.13		51,063
	2022	5.04	\$ 21,585	
			<u>21,585</u>	<u>1,043,171</u>
Changes in Proportion	2018	5.63		96,466
	2019	5.21	55,939	
	2020	5.16	111,482	
	2021	5.13	473,536	
	2022	5.04	221,313	
			<u>862,270</u>	<u>96,466</u>

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	2018	5.63		\$ 6,377
	2019	5.21	\$ 15,997	
	2020	5.16	34,284	
	2021	5.13		17,165
	2022	5.04		20,799
			<u>50,281</u>	<u>44,341</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	6,892	
	2020	5.00	207,094	
	2021	5.00	(1,291,719)	
	2022	5.04	1,366,073	
			<u>288,340</u>	
Contribution Subsequent to Measurement Date	2022	1.00	708,211	
			<u>\$ 1,930,687</u>	<u>\$ 1,183,978</u>

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

Fiscal Year Ending June 30,	Total
2023	\$ (390,137)
2024	(37,058)
2025	65,855
2026	398,361
2027	1,477
	<u>\$ 38,498</u>

Actuarial Assumptions

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

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

Long Term Expected Rate of Return

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Private Equity	13.00%	11.80%
Real Assets	8.00%	11.19%
Real Estate	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Management Strategies	3.00%	4.91%

Discount Rate

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

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2022 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 8,949,995	\$ 6,966,565	\$ 5,278,586

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Pension Plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF), is a cost-sharing multiple-employer defined benefit pension plan with a special funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF is administered by the State of New Jersey Division of Pensions and Benefits (the Division). For additional information about the TPAF, please refer to the Division's annual financial statements which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

Benefits Provided

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

The following represents the membership tiers for TPAF:

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$7,862,537 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$2,614,309.

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$97,140,021. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.1883%, which was an increase of 0.0099% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		97,140,021
Total	\$	97,140,021

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$2,614,309 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
				<u>3,013,097,864</u>
Difference Between Expected and Actual Experience	2015	8.30	13,201,022	
	2016	8.30		21,088,845.00
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041
				<u>699,820,974</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	36,220,692	
	2020	5.00	482,791,080	
	2021	5.00	(2,665,975,358)	
	2022	5.00	3,319,334,659	
			<u>1,172,371,073</u>	
			<u>\$ 4,885,289,911</u>	<u>\$ 19,563,805,393</u>

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (2,658,825,381)
2024	(3,823,762,872)
2025	(3,351,102,048)
2026	(1,509,375,379)
2027	(1,647,727,819)
Thereafter	(1,687,721,983)
	\$ (14,678,515,482)

Actuarial Assumptions

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases	2.75 – 5.65% based on years of service
Investment Rate of Return	7.00%

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on pension plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the Board of Trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected_returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.38%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate - TPAF

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 10. PENSION PLANS (Cont'd)

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

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2022 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Total Net Pension Liability Associated with the District	\$ 113,898,739	\$ 97,140,021	\$ 83,022,907

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$55,256 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$68,765 for the fiscal year ended June 30, 2023.

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District obtains their health benefit coverage through Horizon Blue Cross/Blue Shield of NJ and dental insurance coverage through Delta Dental Plan of NJ.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

Property and Liability Insurance

The District is a member of the Morris Essex Insurance Group (the "MEIG"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The MEIG is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the MEIG are elected.

As a member of the MEIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the MEIG were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The MEIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

The audit of the MEIG as of June 30, 2023 is not available as of the date of this report. Selected, summarized financial information for the Group as of June 30, 2022 is as follows:

	<u>Morris Essex Insurance Group</u>
Total Assets	\$ 12,133,641
Net Position	\$ 7,494,542
Total Revenue	\$ 3,715,390
Total Expenses	\$ 3,715,752
Change in Net Position	\$ (1,115,092)
Members' Dividends	\$ 1,114,730

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

Morris Essex Insurance Group
44 Bergen Street, PO Box 270
Westwood, NJ 07675
Phone: (201) 664-0310
Fax: (201) 664-0107

New Jersey Unemployment Compensation Insurance

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance (Cont'd)

The following is a summary of the District's contributions, employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance as restricted for unemployment compensation in the General Fund for the current and previous year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$ - 0 -	\$ 807	\$ 139,690	\$ 50,630	\$ 226,242
2021-2022	- 0 -	- 0 -	140,215	93,197	136,375

NOTE 12. DEFERRED COMPENSATION

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

The plan administrators are as follows:

AXA Equitable	Lincoln Financial
AIG Valic	Metropolitan Life
Ameriprise	Security Benefit

NOTE 13. ECONOMIC DEPENDENCY

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

NOTE 14. TAX CALENDAR

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 15. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2023:

Fund	Interfund Receivable	Interfund Payable
General Fund		\$ 140,060
Special Revenue Fund	\$ 251,997	
Debt Service Fund		111,937
	\$ 251,997	\$ 251,997

The interfund receivable in the Special Revenue Fund is due from the General Fund and the Debt Service Fund to cover cash deficits due to a tax levy receivable and a receipt collected by the General Fund due to the student activities scholarship account.

NOTE 16. CONTINGENT LIABILITIES

Grant Programs

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

Encumbrances

At June 30, 2023 there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 987,734	\$ 242,378	\$ 1,230,112

On the District's Governmental Funds balance sheet as of June 30, 2023, \$-0- is assigned for year-end encumbrances in the General Fund, which is \$987,734 less than the actual year-end encumbrances on a budgetary basis due to the final two state aid payments which are not recognized on a GAAP basis. On the District's Governmental Funds balance sheet as of June 30, 2023, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$242,378 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grants receivables or an increase in unearned revenue.

Litigation

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 17. ACCOUNTS PAYABLE

At June 30, 2023 the District had the following accounts payable:

	Governmental Funds		District Contribution Subsequent to the Measurement Date	Total Governmental Activities	Business-Type Activities Proprietary Funds
	General Fund	Special Revenue Fund			
Cash Deficit	\$ 2,749,605			\$ 2,749,605	
Vendors	980,602	\$ 1,029,180		2,009,782	\$ 162,248
Payroll Deductions and Withholdings	1,002,258			1,002,258	
Due to State of New Jersey		625,619	\$ 708,211	1,333,830	
	<u>\$ 4,732,465</u>	<u>\$ 1,654,799</u>	<u>\$ 708,211</u>	<u>\$ 7,095,475</u>	<u>\$ 162,248</u>

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Plan Description and Benefits Provided (Cont'd)

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

For additional information about the State Health Benefit Local Education Retired Education Plan, please refer to the Division’s Annual Financial Statements which can be found at <https://www.state.nj.us/treasury/pensions/gasb-notices-opeb.shtml>.

Employees Covered by Benefit Terms

At June 30, 2021, the plan membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	151,669
Active Plan Members	<u>213,148</u>
Total	<u><u>364,817</u></u>

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022.

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Mortality Rates (Cont'd)

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

Health Care Trend Assumptions

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

Discount Rate

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

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

	<u>Total OPEB Liability</u>
Balance at June 30, 2021	\$ 104,743,985
Changes for Year:	
Service Cost	4,762,829
Interest Cost	2,381,167
Changes in Assumptions	(24,103,507)
Differences Between Expected and Actual Experience	4,350,110
Member Contributions	75,666
Gross Benefit Payments	(2,358,617)
Net Changes	<u>(14,892,352)</u>
Balance at June 30, 2022	<u>\$ 89,851,633</u>

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the discount rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 105,611,143	\$ 89,851,633	\$ 77,221,174

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

The following presents the total nonemployer OPEB Liability attributable to the District as of June 30, 2022, calculated using the healthcare trend rate as disclosed in this note, as well as what the total nonemployer OPEB liability attributable to the District would be if it were calculated using a healthcare trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 74,267,867	\$ 89,851,633	\$ 110,321,856

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

For the fiscal year ended June 30, 2023 the District recognized OPEB expense of \$3,165,144 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

NOTE 18. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

At June 30, 2022 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the following sources:

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 4,665,193
	2018	9.51		4,451,921
	2019	9.29	\$ 628,544	
	2020	9.24	14,840,203	
	2021	9.24	82,296	
	2022	9.13		21,463,473
			<u>15,551,043</u>	<u>30,580,587</u>
Differences between Expected and Actual Experience	2018	9.51		4,208,451
	2019	9.29		7,397,998
	2020	9.24	13,831,652	
	2021	9.24		15,826,293
	2022	9.13	2,210,429	
				<u>16,042,081</u>
Changes in Proportion	N/A	N/A	<u>4,730,899</u>	<u>1,014,081</u>
			<u>\$ 36,324,023</u>	<u>\$ 56,999,248</u>

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

Fiscal Year Ending June 30,	Total
2023	\$ (4,465,665)
2024	(4,465,666)
2025	(4,465,666)
2026	(3,859,454)
2027	(2,206,887)
Thereafter	(6,956,867)
	<u>\$ (26,420,205)</u>

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(Continued)

NOTE 19. PRIOR PERIOD ADJUSTMENTS

The District made prior year adjustments in the District Wide Financial Statements to record adjustments to capital assets as a result of a physical inventory and appraisal of its capital assets.

	<u>June 30, 2022</u> as Previously Reported	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance</u> June 30, 2022 as Restated
<u>Statement of Net Position - Governmental Activities:</u>			
<u>Assets</u>			
Capital Assets, Net	\$ 37,763,564	\$ (9,604,132)	\$ 28,159,432
Total Assets	54,652,945	(9,604,132)	45,048,813
<u>Net Position</u>			
Net Investment in Capital Assets	34,420,611	(9,604,132)	24,816,479
Total Net Position	35,819,581	(9,604,132)	26,215,449
<u>Statement of Net Position - Business-Type Activities:</u>			
<u>Assets</u>			
Capital Assets, Net	448,246	54,999	503,245
Total Assets	1,614,349	54,999	1,669,348
<u>Net Position</u>			
Net Investment in Capital Assets	448,246	54,999	503,245
Total Net Position	1,371,503	54,999	1,426,502
<u>Statement of Revenue, Expenses and Changes in Net</u>			
<u>Position - Proprietary Funds:</u>			
Net Position - End of Year	1,371,503	54,999	1,426,502

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

DOVER PUBLIC SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportion of the net pension liability	0.0415000000%	0.0430000000%	0.0427000000%	0.0389000000%	0.0381220000%	0.0412000000%	0.0438167988%	0.0447110192%	0.0461625561%
District's proportionate share of the net pension liability	\$ 9,305,665	\$ 12,735,438	\$ 9,946,489	\$ 7,660,437	\$ 7,507,228	\$ 6,710,888	\$ 6,576,670	\$ 5,296,691	\$ 6,966,565
District's covered employee payroll	\$ 2,867,239	\$ 2,795,630	\$ 2,754,039	\$ 2,848,244	\$ 3,140,582	\$ 3,204,676	\$ 3,359,773	\$ 3,428,340	\$ 3,498,306
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	324.55%	455.55%	361.16%	268.95%	239.04%	209.41%	195.75%	154.50%	199.14%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

DOVER PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
 SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually Required Contribution	\$ 383,457	\$ 356,396	\$ 384,149	\$ 395,833	\$ 386,991	\$ 436,681	\$ 450,187	\$ 579,050	\$ 582,132
Contributions in relation to the Contractually Required Contribution	(383,457)	(356,396)	(384,149)	(395,833)	(386,991)	(436,681)	(450,187)	(579,050)	(582,132)
Contribution Deficiency (Excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's Covered Employee Payroll	\$ 2,795,630	\$ 2,754,039	\$ 2,848,244	\$ 3,140,582	\$ 3,204,676	\$ 3,359,773	\$ 3,428,340	\$ 3,498,306	\$ 4,558,708
Contributions as a Percentage of Covered Employee Payroll	13.72%	12.94%	13.49%	12.60%	12.08%	13.00%	13.13%	16.55%	12.77%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

DOVER PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
State's Proportion of the Net Pension Liability Attributable to the District	0.1921000000%	0.1991000000%	0.1834000000%	0.1830000000%	0.1793400000%	0.1777000000%	0.1734600000%	0.1783500089%	0.1882762310%
State's Proportionate Share of the Net Pension Liability Attributable to the District	\$ 121,399,865	\$ 150,248,789	\$ 123,641,020	\$ 116,450,840	\$ 113,028,881	\$ 116,524,620	\$ 114,194,128	\$ 85,742,103	\$ 97,140,021
District's Covered Employee Payroll	\$ 18,683,886	\$ 18,755,594	\$ 18,748,017	\$ 18,713,200	\$ 20,671,812	\$ 21,093,686	\$ 21,603,848	\$ 22,044,743	\$ 22,494,636
State's proportionate share of the net pension liability attributable to the District as a Percentage of its Covered Employee Payroll	649.76%	801.09%	659.49%	622.29%	546.78%	552.41%	528.58%	388.95%	431.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	28.71%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.25%	32.29%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

DOVER PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF STATE CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 5,644,190	\$ 7,412,555	\$ 11,289,106	\$ 8,565,224	\$ 6,788,677	\$ 6,644,974	\$ 7,245,997	\$ 2,017,549	\$ 2,614,309
Contributions in relation to the contractually required contribution	(4,679,958)	(4,775,467)	(4,872,925)	(4,972,373)	(5,073,850)	(5,177,398)	(5,283,059)	(7,750,685)	(7,862,537)
Contribution deficiency/(excess)	\$ 964,232	\$ 2,637,088	\$ 6,416,181	\$ 3,592,851	\$ 1,714,827	\$ 1,467,576	\$ 1,962,938	\$ (5,733,136)	\$ (5,248,228)
District's covered employee payroll	18,755,594	18,748,017	18,713,200	20,671,812	21,093,686	21,603,848	22,044,743	22,494,636	24,940,188
Contributions as a percentage of covered employee payroll	30.09%	25.47%	26.04%	24.05%	24.05%	23.97%	23.97%	34.46%	31.53%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

DOVER PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONATE SHARE OF THE TOTAL OPEB LIABILITY
ASSOCIATED WITH THE DISTRICT AND RELATED RATIOS
LAST SIX FISCAL YEARS

	Fiscal Years Ending					
	2017	2018	2019	2020	2021	2022
Total OPEB Liability						
Service Cost	\$ 3,663,631	\$ 3,031,483	\$ 2,791,078	\$ 2,990,180	\$ 5,328,317	\$ 4,762,829
Interest Cost	2,886,408	3,330,569	3,127,721	2,570,613	2,717,169	2,381,167
Change in Benefit Terms					(111,487)	
Changes in Assumptions	(12,128,571)	(9,075,073)	1,064,834	20,979,886	103,338	(24,103,507)
Differences between Expected and Actual Experience		(7,176,247)	(12,521,465)	18,835,250	(16,076,487)	4,350,110
Member Contributions	77,624	73,085	64,986	60,605	69,465	75,666
Gross Benefit Payments	(2,108,053)	(2,114,629)	(2,192,290)	(1,999,514)	(2,140,368)	(2,358,617)
Net Change in Total OPEB Liability	(7,608,961)	(11,930,812)	(7,665,136)	43,437,020	(10,110,053)	(14,892,352)
Total OPEB Liability - Beginning	98,621,927	91,012,966	79,082,154	71,417,018	114,854,038	104,743,985
Total OPEB Liability - Ending	\$ 91,012,966	\$ 79,082,154	\$ 71,417,018	\$ 114,854,038	\$ 104,743,985	\$ 89,851,633
District's Covered Employee Payroll *	\$ 21,551,224	\$ 21,502,056	\$ 21,561,444	\$ 23,812,395	\$ 24,298,362	\$ 24,963,621
Total OPEB Liability as a Percentage of Covered Employee Payroll	422%	368%	331%	482%	431%	360%

* Covered payroll for the fiscal years ending June 30, 2017, 2018, 2019, 2020, 2021, and 2022 are based on the payroll on the June 30, 2016, 2017, 2018, 2019, 2020, and 2021 census data.

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 6.55% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 2.00%-6.00% through 2026 and 3.00-7.00% thereafter based on years of service.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

In the July 1, 2021 actuarial valuation the salary increases were 2.75% – 5.65% based on years of service while in the July 1, 2020 actuarial valuation the salary increases were 1.55%-4.45% through 2026 and 2.75%-5.65% thereafter based on years of service.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. The actuarial assumptions used in the July 1, 2020 actuarial valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN

Benefit Changes

There were none.

Changes of Actuarial Assumptions

The discount rate for June 30, 2022 was 3.54%. The discount rate for June 30, 2021 was 2.16%, a change of 1.38%.

The salary increases for TPAF/ABP thereafter were 1.55% - 4.45% through 2026 and 2.75% - 5.65% for thereafter in the valuation as of June 30, 2021. The salary increases for TPAF/ABP were 2.75% - 4.25% in the valuation as of June 30, 2022.

The salary increases for PERS were 2.00% - 6.00% through 2026 and 3.00% - 7.00% for thereafter in the valuation as of June 30, 2021. The salary increases for PERS were 2.75% - 6.55% in the valuation as of June 30, 2022.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

C. STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES OPEB PLAN (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

The salary increases for PFRS were 3.25% - 15.25% through 2026 and not applicable for thereafter in the valuation as of June 30, 2021. The salary increases for PFRS were 3.25% - 16.25% in the valuation as of June 30, 2022.

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

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

The health care trend rates in the valuation as of June 30, 2021 were based on the following:

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal years 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 decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years.

BUDGETARY COMPARISON SCHEDULES

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues from Local Sources:					
Local Tax Levy	\$ 16,556,051		\$ 16,556,051	\$ 16,556,051	
Tuition From Other LEAs Within the State	2,042,950		2,042,950	2,063,950	\$ 21,000
Unrestricted Miscellaneous Revenues	300,001		300,001	633,757	333,756
Interest Earned on Maintenance Reserve	500		500	13,143	12,643
Interest Earned on Capital Reserve Funds	1,000		1,000	152,050	151,050
Other Restricted Miscellaneous Revenues				89,867	89,867
Total Revenues from Local Sources	18,900,502		18,900,502	19,508,818	608,316
Revenues from State Sources:					
Categorical Transportation Aid	413,123		413,123	413,123	
Extraordinary Aid	802,977		802,977	1,040,322	237,345
Categorical Special Education Aid	2,765,706		2,765,706	2,765,706	
Equalization Aid	41,299,869		41,299,869	41,299,869	
Categorical Security Aid	1,433,096		1,433,096	1,433,096	
TPAF Post Retirement Contributions (Non-Budgeted)				2,094,126	2,094,126
TPAF Pension Contributions (Non-Budgeted)				7,862,537	7,862,537
TPAF Non-Contributory Insurance (Non-Budgeted)				109,084	109,084
TPAF Long-Term Disability Insurance (Non-Budgeted)				3,509	3,509
Reimbursed TPAF Social Security Contributions				2,098,843	2,098,843
Total Revenues from State Sources	46,714,771		46,714,771	59,120,215	12,405,444
Revenues from Federal Sources:					
FEMA Reimbursements				36,126	36,126
Medicaid Reimbursement	105,890		105,890	151,885	45,995
Family First Coronavirus Response Act				16,759	16,759
Total Revenues from Federal Sources	105,890		105,890	204,770	98,880
TOTAL REVENUE	65,721,163		65,721,163	78,833,803	13,112,640

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
GENERAL CURRENT EXPENSE					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 738,844	\$ 74,699	\$ 813,543	\$ 813,543	
Grades 1-5 - Salaries of Teachers	5,588,408	(128,185)	5,460,223	5,460,223	
Grades 6-8 - Salaries of Teachers	3,139,243	708,775	3,848,018	3,848,018	
Grades 9-12 - Salaries of Teachers	5,215,224	555,891	5,771,115	5,771,115	
Regular Programs - Home Instruction:					
Salaries of Teachers	20,000	39,941	59,941	59,941	
Purchased Professional - Educational Services	15,000	52,387	67,387	65,352	\$ 2,035
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	292,854	206,852	499,706	499,706	
Purchased Professional - Educational Services	17,280	378	17,658	17,658	
Purchased Technical Services	4,300	(2,587)	1,713	1,690	23
Other Purchased Services (400-500 series)	721,403	(535,847)	185,556	179,284	6,272
General Supplies	2,135,324	(496,041)	1,639,283	1,513,625	125,658
Textbooks	135,622	(11,569)	124,053	124,053	
Other Objects	1,445	1,445	1,445	1,445	
Total Regular Programs - Instruction	18,023,502	466,139	18,489,641	18,355,653	133,988
Special Education - Instruction:					
Learning and/or Language Disabilities - Mild to Moderate:					
Salaries of Teachers	759,111	(47,257)	711,854	711,417	437
Other Salaries for Instruction	800,374	(152,836)	647,538	647,538	
Purchased Professional-Educational Services	238,700	(39,371)	199,329	173,146	26,183
General Supplies	5,200	2,646	7,846	7,846	
Other Objects	350	350	350	350	
Total Learning and/or Language Disabilities - Mild to Moderate	1,803,385	(236,468)	1,566,917	1,540,297	26,620
Multiple Disabilities:					
General Supplies	3,000	(1,871)	1,129	1,129	
Total Multiple Disabilities	3,000	(1,871)	1,129	1,129	

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,506,450	\$ (364,435)	\$ 1,142,015	\$ 1,142,015	
General Supplies	3,800	(820)	2,980	2,945	\$ 35
Total Resource Room/Resource Center	1,510,250	(365,255)	1,144,995	1,144,960	35
Autism:					
Salaries of Teachers	91,610	(38,661)	52,949	7,141	45,808
Other Salaries for Instruction	70,000	(22,960)	47,040	47,040	
General Supplies	5,000	1,107	6,107	6,082	25
Total Autism	166,610	(60,514)	106,096	60,263	45,833
Preschool Disabilities - Full-Time:					
General Supplies	5,000	(3,892)	1,108	950	158
Total Preschool Disabilities - Full-Time	5,000	(3,892)	1,108	950	158
TOTAL SPECIAL EDUCATION - INSTRUCTION	3,488,245	(668,000)	2,820,245	2,747,599	72,646
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	42,525	19,460	61,985	61,985	
Total Basic Skills/Remedial - Instruction	42,525	19,460	61,985	61,985	
Bilingual Education - Instruction:					
Salaries of Teachers	2,487,232	(767,998)	1,719,234	1,719,234	
General Supplies	99,321	(2,149)	97,172	68,395	28,777
Total Bilingual Education - Instruction	2,586,553	(770,147)	1,816,406	1,787,629	28,777
School-Spon. Cocurricular & Extracurricular Actvs. - Inst.:					
Salaries	105,000	(29,481)	75,519	75,519	
Purchased Services (300-500 series)	12,000	(12,000)			
Supplies and Materials	26,679	(2,900)	23,779	23,779	
Other Objects	95,734	(48,727)	47,007	38,878	8,129
Total School-Spon. Cocurricular & Extracurricular Actvs. - Inst.:	239,413	(93,108)	146,305	138,176	8,129

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Athletics - Instruction:					
Salaries	\$ 381,476	\$ 9,115	\$ 390,591	\$ 390,591	
Supplies and Materials	247,985	(28,118)	219,867	210,103	\$ 9,764
Other Objects		95	95	95	
Transfers to Cover Deficit (Agency Funds)	80,000		80,000	80,000	
Total School-Sponsored Athletics - Instruction	<u>709,461</u>	<u>(18,908)</u>	<u>690,553</u>	<u>680,789</u>	<u>9,764</u>
Summer School - Instruction:					
Salaries of Teachers	100,000	6,848	106,848	20,726	86,122
Total Summer School - Instruction	<u>100,000</u>	<u>6,848</u>	<u>106,848</u>	<u>20,726</u>	<u>86,122</u>
Total Summer School	<u>100,000</u>	<u>6,848</u>	<u>106,848</u>	<u>20,726</u>	<u>86,122</u>
TOTAL INSTRUCTION	<u>25,189,699</u>	<u>(1,057,716)</u>	<u>24,131,983</u>	<u>23,792,557</u>	<u>339,426</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	4,637		4,637	4,637	
Tuition to Other LEAs Within the State-Special	433,124	156,205	589,329	521,146	68,183
Tuition to County Voc. School Dist.-Regular	399,057	45,564	444,621	425,138	19,483
Tuition to County Voc. School Dist.-Special	35,105	(6,631)	28,474	26,524	1,950
Tuition to CSSD & Reg. Day Schools	711,904	(51,123)	660,781	659,720	1,061
Tuition to Priv. Sch. for the Handicap. Within the State	4,640,512	(586,772)	4,053,740	4,003,464	50,276
Tuition - State Facilities	40,270		40,270	40,270	
Total Undistributed Expenditures - Instruction	<u>6,264,609</u>	<u>(442,757)</u>	<u>5,821,852</u>	<u>5,680,899</u>	<u>140,953</u>
Undistributed Expend. - Attend. & Social Work:					
Salaries	569,262	(30,410)	538,852	538,852	
Supplies and Materials		6,531	6,531	6,531	
Total Undist. Expend. - Attendance and Social Work	<u>569,262</u>	<u>(23,879)</u>	<u>545,383</u>	<u>545,383</u>	

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Health Services:					
Salaries	\$ 485,884	\$ 8,642	\$ 494,526	\$ 494,526	
Other Purchased Services (400-500 series)	50,000	10,490	60,490	59,040	\$ 1,450
Supplies and Materials	26,453	27	26,480	26,260	220
Total Undist. Expenditures - Health Services	562,337	19,159	581,496	579,826	1,670
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	304,000	27,246	331,246	331,246	
Purchased Professional - Educational Services	130,800	95,617	226,417	226,417	
Supplies and Materials	13,907	(5,604)	8,303	8,158	145
Total Undist. Expend. - Speech, OT, PT, Related Svcs	448,707	117,259	565,966	565,821	145
Undist. Expend. - Guidance:					
Salaries of Other Professional Staff	1,076,009	(107,839)	968,170	963,037	5,133
Salaries of Secretarial and Clerical Assistants	174,479	28,123	202,602	202,602	
Purchased Professional - Educational Services		730	730	730	
Supplies and Materials	35,436	(13,542)	21,894	21,541	353
Other Objects	4,250	(3,605)	645	645	
Total Undist Expend. - Guidance	1,290,174	(96,133)	1,194,041	1,188,555	5,486
Undist. Expend. - Child Study Team:					
Salaries of Other Professional Staff	1,431,457	4,089	1,435,546	1,435,546	
Salaries of Secretarial and Clerical Assistants	83,200	12,732	95,932	95,932	
Other Purchased Prof. and Tech. Services	148,022	13,508	161,530	123,874	37,656
Other Purchased Services (400-500 series)	5,000	515	5,515	5,031	484
Supplies and Materials	49,977	16,242	66,219	47,390	18,829
Other Objects		231	231	231	
Total Undist Expend. - Child Study Team	1,717,656	47,317	1,764,973	1,708,004	56,969
Undist. Expend. - Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	365,638	(82,373)	283,265	243,293	39,972
Other Salaries	38,000	(130)	37,870	37,870	
Supplies and Materials	13,052	330	13,382	13,382	
Total Undist. Expend. - Improv. of Inst. Serv.	416,690	(82,173)	334,517	256,675	77,842

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Edu. Media Serv./Sch. Library:					
Salaries	\$ 1,052,418	\$ (221,792)	\$ 830,626	\$ 830,626	
Salaries of Technology Coordinators	120,000	(710)	119,290	119,290	
Purchased Professional and Technical Services	182,465	2,362	184,827	182,827	\$ 2,000
Supplies and Materials	50,994	(623)	50,371	50,196	175
Total Undist Expend - Edu. Media Serv./Sch. Library	1,405,877	(220,763)	1,185,114	1,182,939	2,175
Undist.Expend. - Instructional Staff Training Services:					
Other Purchased Services (400-500 series)	151,075	(61,998)	89,077	83,677	5,400
Supplies and Materials		9,143	9,143	9,143	
Total Undist.Expend. - Instructional Staff Training Services	151,075	(52,855)	98,220	92,820	5,400
Undist. Expend. - Support Serv. - Gen. Admin.:					
Salaries	536,196	19,467	555,663	555,663	
Legal Services	90,000	62,858	152,858	145,983	6,875
Audit Fees	63,860	11,140	75,000	75,000	
Architectural/Engineering Services	10,000	30,524	40,524	40,524	
Other Purchased Professional Services	14,907	117,526	132,433	123,782	8,651
Purchased Technical Services	1,000	9,425	10,425	5,414	5,011
Communications / Telephone	128,025	(18,004)	110,021	100,184	9,837
BOE Other Purchased Services	5,500	803	6,303	6,303	
Other Purch. Serv. (400-500 series other than 530 & 585)	74,410	(28,735)	45,675	45,669	6
General Supplies	22,031	5,703	27,734	27,694	40
BOE In-house training/ Meeting Supplies		1,749	1,749	1,699	50
Miscellaneous Expenditures	9,850	4,856	14,706	14,700	6
BOE Membership Dues and Fees	19,900	6,138	26,038	25,863	175
Total Undist. Expend. - Support Serv. - Gen. Admin.	975,679	223,450	1,199,129	1,168,478	30,651
Undist. Expend. - Support Serv. - School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	2,271,367	70,160	2,341,527	2,262,304	79,223
Salaries of Secretarial and Clerical Assistants	346,237	44,654	390,891	390,891	

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Admin.: (Cont'd)					
Supplies and Materials	\$ 30,458	\$ 67,602	\$ 98,060	\$ 96,275	\$ 1,785
Other Objects		239	239	239	
Total Undist. Expend. - Support Serv. - School Adm.	<u>2,648,062</u>	<u>182,655</u>	<u>2,830,717</u>	<u>2,749,709</u>	<u>81,008</u>
Undist. Expend. - Central Services:					
Salaries	676,608	14,038	690,646	690,646	
Purchased Professional Services		1,100	1,100	1,100	
Purchased Technical Services	31,600	19,329	50,929	50,737	192
Miscellaneous Purchased Services (400-500 series other than 594)	35,000		35,000	35,000	
Supplies and Materials	83,184	17,031	100,215	100,188	27
Other Objects	16,980	9,257	26,237	17,837	8,400
Total Undist. Expend. - Central Services	<u>843,372</u>	<u>60,755</u>	<u>904,127</u>	<u>895,508</u>	<u>8,619</u>
Undist. Expend. - Admin. Info. Technology:					
Salaries		57,520	57,520	57,520	
Other Purchased Services (400-500 series)	3,780	3,084	6,864	6,864	
Supplies and Materials	250	(27)	223	223	
Total Undist. Expend. - Admin. Info. Technology	<u>4,030</u>	<u>60,577</u>	<u>64,607</u>	<u>64,607</u>	
Undist. Expend. - Required Maintenance for School Facilities:					
Salaries	608,177	(53,977)	554,200	554,200	
Cleaning, Repair, and Maintenance Services	1,805,654	(616,968)	1,188,686	1,126,933	61,753
General Supplies	875,939	(570,926)	305,013	190,270	114,743
Other Objects	4,010	2,429	6,439	6,181	258
Total Undist. Expend. - Required Maint. for School Facilities	<u>3,293,780</u>	<u>(1,239,442)</u>	<u>2,054,338</u>	<u>1,877,584</u>	<u>176,754</u>

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Custodial Services:					
Salaries	\$ 1,005,312	\$ 532,504	\$ 1,537,816	\$ 1,537,816	
Salaries of Non-Instructional Aides		3,286	3,286	3,286	
Rental of Land & Bldg. Oth. than Lease Pur. Agrmt.	224,356	4,331	228,687	205,581	\$ 23,106
Other Purchased Property Services	82,000	(1,006)	80,994	77,461	3,533
Insurance	252,989	66,815	319,804	319,804	
Miscellaneous Purchased Services	6,000	(4,438)	1,562	1,050	512
General Supplies	355,000	(170,488)	184,512	165,520	18,992
Energy (Natural Gas)	383,652	(30,294)	353,358	327,622	25,736
Energy (Electricity)	855,595	(78,745)	776,850	717,403	59,447
Total Undist. Expend. - Custodial Services	3,164,904	321,965	3,486,869	3,355,543	131,326
Undist. Expend. - Care and Upkeep of Grounds:					
Salaries	97,888	70,103	167,991	167,991	
Cleaning, Repair, and Maintenance Services	232,264	347,278	579,542	563,199	16,343
General Supplies	27,500		27,500	20,490	7,010
Total Undist. Expend. - Care And Upkeep Of Grounds	357,652	417,381	775,033	751,680	23,353
Undist. Expend. - Security:					
Salaries	224,048	114,650	338,698	338,698	
Purchased Professional and Technical Services	114,052	8,850	122,902	122,902	
Cleaning, Repair, and Maintenance Services	230,778	(133,886)	96,892	96,892	
General Supplies	5,000	3,205	8,205	6,405	1,800
Total Undist. Expend. - Security	573,878	(7,181)	566,697	564,897	1,800
Total Undist. Expend. - Oper. And Maint. Of Plant Serv.	7,390,214	(507,277)	6,882,937	6,549,704	333,233

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Student Transportation Serv.:					
Salaries of Non-Instructional Aides	\$ 78,004	\$ 279,492	\$ 357,496	\$ 357,496	
Sal. for Pupil Trans. (Bet. Home and Sch) - Reg.	573,895	(109,896)	463,999	463,999	
Other Purchased Professional and Technical Services	4,000	200	4,200	4,099	\$ 101
Cleaning, Repair, and Maint. Services	42,638	39,320	81,958	80,574	1,384
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	90,000		90,000	79,069	10,931
Contract. Serv.(Bet. Home & Sch.)-Vendors	224,730	(45,654)	179,076	142,484	36,592
Contract. Serv.(Bet. Home & Sch.)-Joint Agrmnts.	412,712	1,723,579	2,136,291	1,918,351	217,940
Contract. Serv.(Spl. Ed. Students) - Joint Agrmnts	2,102,974	125,463	2,228,437	2,222,118	6,319
Misc. Purchased Serv. - Transportation	37,400	(37,400)			
General Supplies	55,500	(11,498)	44,002	36,771	7,231
Transportation Supplies	63,250	11,297	74,547	71,693	2,854
Other Objects	575	(575)			
Total Undist. Expend. - Student Trans. Serv.	3,685,678	1,974,328	5,660,006	5,376,654	283,352
UNALLOCATED BENEFITS					
Social Security Contributions	556,019	313,230	869,249	869,249	
Other Retirement Contributions - PERS	592,000	(2,972)	589,028	582,244	6,784
Other Retirement Contributions - Regular		55,256	55,256	55,256	
Unemployment Compensation	45,000	(45,000)			
Workers Compensation	282,920	(2,108)	280,812	280,812	
Health Benefits	9,333,812	(523,560)	8,810,252	8,810,252	
Tuition Reimbursement	188,748	(62,043)	126,705	93,120	33,585
Other Employee Benefits	332,000	(107,023)	224,977	224,927	50
Unused Sick Payment to Terminated/Retired Staff		68,126	68,126	68,126	
TOTAL UNALLOCATED BENEFITS	11,330,499	(306,094)	11,024,405	10,983,986	40,419

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)	\$ 2,094,126		\$ 2,094,126	7,862,537	(2,094,126)
TPAF Pension Contributions (Non-Budgeted)	109,084		109,084	3,509	(7,862,537)
TPAF Non-Contributory Insurance (Non-Budgeted)	3,509		3,509	2,098,843	(109,084)
TPAF Long-Term Disability Insurance (Non-Budgeted)	2,098,843		2,098,843	12,168,099	(3,509)
Reimbursed TPAF Social Security Contributions					(2,098,843)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					<u>(12,168,099)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	\$ 11,330,499	\$ (306,094)	\$ 11,024,405	23,152,085	(12,127,680)
TOTAL UNDISTRIBUTED EXPENDITURES	39,703,921	953,569	40,657,490	51,757,667	(11,100,177)
TOTAL GENERAL CURRENT EXPENSE	64,893,620	(104,147)	64,789,473	75,550,224	(10,760,751)
CAPITAL OUTLAY					
Equipment					
Grades 6-8	2,755	(2,755)			
Grades 9-12	2,009	31,512	33,521	31,512	2,009
Special Education - Instruction:					
Autism		5,785	5,785	4,339	1,446
Vocational Programs:					
School-Sponsored and Other Instructional Programs		10,361	10,361	10,361	
Undistributed:					
Undistributed Expenditures - General Admin.		5,896	5,896	5,896	
Undistributed Expenditures - School Admin.		4,693	4,693	4,693	
Undist. Expend. - Required Maint for School Fac.	51,646	5,976	57,622	57,622	
Undist. Expend. - Custodial Services		3,139	3,139	3,139	
Undist. Expend. - Care and Upkeep of Grounds		46,480	46,480	46,480	
Undist. Expend.-Student Trans.- Non-Inst. Equip.	31,000	(6,940)	24,060	24,060	
School Buses - Regular	486,000		486,000	485,979	21
Total Equipment	573,410	104,147	677,557	674,081	3,476

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services	\$ 256,254	\$ 63,995	\$ 320,249	\$ 234,178	\$ 86,071
Construction Services	2,748,079	(63,995)	2,684,084	932,414	1,751,670
Assessment for Debt Service on SDA Funding	72,816		72,816	72,816	
Total Facilities Acquisition and Const. Serv.	3,077,149		3,077,149	1,239,408	1,837,741
Assets Acquired Under Leases (Non-Budgeted):					
Special Education				1,832,441	(1,832,441)
Total Assets Acquired Under Leases (Non-Budgeted)				1,832,441	(1,832,441)
TOTAL CAPITAL OUTLAY	3,650,559	104,147	3,754,706	3,745,930	8,776
Transfer of Funds to Charter Schools	10,021		10,021	10,021	
TOTAL EXPENDITURES	68,554,200		68,554,200	79,306,175	(10,751,975)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(2,833,037)		(2,833,037)	(472,372)	2,360,665
Other Financing Sources/(Uses):					
Transfer to Special Revenue Fund - Inclusion Leases (Non-budgeted)	(1,204,692)		(1,204,692)	(1,190,364)	14,328
Total Other Financing Sources/(Uses)	(1,204,692)		(1,204,692)	1,832,441	1,832,441
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(4,037,729)		(4,037,729)	169,705	4,207,434
Fund Balance, July 1	13,664,612		13,664,612	13,664,612	
Fund Balance, June 30	\$ 9,626,883		\$ 9,626,883	\$ 13,834,317	\$ 4,207,434

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Capital Reserve	\$ 7,704,547				
Maintenance Reserve	1,513,143				
Unemployment Compensation	226,242				
Assigned Fund Balance:					
Year End Encumbrances	987,734				
Designated for Subsequent Year's Expenditures	1,835,386				
Unassigned Fund Balance	1,567,265				
	<u>13,834,317</u>				
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(4,573,976)	
Fund Balance per Governmental Funds (GAAP)	<u>\$ 9,260,341</u>				

DOVER PUBLIC SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 451,725	\$ 451,725	\$ 436,981	\$ (14,744)
State Sources	\$ 6,983,213	544,818	7,528,031	5,350,528	(2,177,503)
Federal Sources	14,452,788	(1,981,134)	12,471,654	9,023,505	(3,448,149)
Total Revenues	21,436,001	(984,591)	20,451,410	14,811,014	(5,640,396)
Other Financing Sources:					
Transfer In - Board Contribution - General Fund	1,190,364		1,190,364	1,190,364	
Total Revenues and other Financing Sources	22,626,365	(984,591)	21,641,774	16,001,378	(5,640,396)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,926,060	91,604	2,017,664	1,974,942	42,722
Purchased Professional and Technical Services	40,000	1,714,192	1,754,192	1,711,426	42,766
Purchased Professional and Educational Services		42,141	42,141	39,267	2,874
Tuition	425,296	328,216	753,512	729,434	24,078
General Supplies	8,364,556	(6,871,776)	1,492,780	1,070,581	422,199
Other Objects		51,200	51,200	600	50,600
Total Instruction	10,755,912	(4,644,423)	6,111,489	5,526,250	585,239
Support Services:					
Salaries of Supervisors of Instruction		91,238	91,238	88,969	2,269
Salaries of Program Directors		63,716	63,716	39,822	23,894
Salaries of Other Professional Staff	955,828	449,747	1,405,575	1,037,309	368,266
Salaries of Secretarial and Clerical Assistants		103,455	103,455	72,067	31,388
Other Salaries		95,510	95,510	95,510	
Salaries of Community Parent Involvement Specialists		15,775	15,775	228	15,547
Salaries of Master Teachers		265,295	265,295	265,295	
Personal Services - Employee Benefits	474,407	1,288,433	1,762,840	1,034,260	728,580
Purchased Professional and Technical Services	1,464,913	786,951	2,251,864	1,278,751	973,113
Purchased Education Services - Contracted Pre-K		3,662,010	3,662,010	2,782,497	879,513
Purchased Education Services - Head Start		642,075	642,075	642,075	
Purchased Professional and Educational Services	4,204,085	(4,142,185)	61,900	51,026	10,874
Purchased Property Services		200,000	200,000		200,000
Other Purchased Professional Services	285,859	5,151	291,010	286,425	4,585
Cleaning, Repair and Maintenance Services	80,600	98,500	179,100	25,155	153,945
Rentals	212,600	76,295	288,895	218,527	70,368
Other Purchased Services	1,574,522	(540,176)	1,034,346	325,657	708,689
Contract Services-Transportation (Between Home and School)		492,913	492,913	374,224	118,689
Contract Services-Transportation (Field Trips)		44,800	44,800	2,222	42,578
Travel	1,500	7,400	8,900	1,701	7,199
Miscellaneous Purchased Services	50,000	100,000	150,000	61,211	88,789
Supplies and Materials	90,982	512,439	603,421	266,914	336,507
Other Objects		19,284	19,284	2,681	16,603
Student Activities		347,615	347,615	338,055	9,560
Scholarships		87,867	87,867	57,918	29,949
Total Support Services	9,395,296	4,774,108	14,169,404	9,348,499	4,820,905
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	25,000	826,278	851,278	851,075	203
Instructional Equipment	27,000	51,000	78,000	8,033	69,967
Buildings	2,423,157	(1,991,554)	431,603	228,012	203,591
Total Facilities Acquisition and Construction Services	2,475,157	(1,114,276)	1,360,881	1,087,120	273,761
Total Expenditures	\$ 22,626,365	\$ (984,591)	\$ 21,641,774	\$ 15,961,869	\$ 5,679,905
Excess of Revenue and Other Financing Sources Over Expenditures	\$ - 0 -	\$ - 0 -	\$ - 0 -	\$ 39,509	\$ 39,509

DOVER PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 78,833,803	\$ 16,001,378
Difference - Budgetary to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis does not:		
Current Year Encumbrances		(242,378)
Cancellation of Prior Year Encumbrances		(87,431)
Prior Year Encumbrances		2,765,455
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	3,741,192	469,853
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(4,573,976)	(480,071)
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 78,001,019	\$ 18,426,806
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 79,306,175	\$ 15,961,869
Differences - Budgetary to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		(242,378)
Cancellation of Prior Year Encumbrances		(87,431)
Prior Year Encumbrances		2,765,455
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 79,306,175	\$ 18,397,515

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2023 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

DOVER PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Elementary and Secondary Education Act</u>				<u>School Based Youth Services</u>
	<u>Title IA</u>	<u>Title IIA</u>	<u>Title III</u>	<u>Title IV</u>	
REVENUES:					
Local Sources					
State Sources					\$ 286,010
Federal Sources	\$ 1,277,954	\$ 118,360	\$ 133,495	\$ 13,645	
Total Revenues	<u>1,277,954</u>	<u>118,360</u>	<u>133,495</u>	<u>13,645</u>	<u>286,010</u>
Other Financing Sources:					
Transfer In - Board Contribution - General Fund					
Total Revenues and Other Financing Sources	<u>1,277,954</u>	<u>118,360</u>	<u></u>	<u>13,645</u>	<u>286,010</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	770,467		87,161		
Purchased Professional and Technical Services					
Purchased Professional and Educational Services					
Tuition					
General Supplies	76,694		75		
Other Objects					
Total Instruction	<u>847,161</u>	<u></u>	<u>87,236</u>	<u></u>	<u></u>
Support Services:					
Salaries of Supervisors of Instruction					
Salaries of Program Directors					
Salaries of Other Professional Staff					
Salaries of Secretarial and Clerical Assistants					
Other Salaries					
Salaries of Community Parent Involvement Specialists					
Salaries of Master Teachers					
Personal Services - Employee Benefits	407,808		46,135		
Purchased Professional and Technical Services	8,378	118,360		13,645	
Purchased Education Services - Contracted Pre-K					
Purchased Education Services - Head Start					
Purchased Professional and Educational Services					
Other Purchased Professional Services					286,010
Cleaning, Repair and Maintenance Services					
Rentals					
Other Purchased Services					
Contract Services-Transportation (Between Home and School)					
Contract Services-Transportation (Field Trips)					
Travel					
Miscellaneous Purchased Services					
Supplies and Materials	14,607		124		
Other Objects					
Student Activities					
Scholarships					
Total Support Services	<u>430,793</u>	<u>118,360</u>	<u>46,259</u>	<u>13,645</u>	<u>286,010</u>
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment					
Instructional Equipment					
Buildings					
Total Facilities Acquisition and Construction Services	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Total Expenditures	<u>\$ 1,277,954</u>	<u>\$ 118,360</u>	<u>\$ 133,495</u>	<u>\$ 13,645</u>	<u>\$ 286,010</u>

DOVER PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	I.D.E.A.				Preschool Education Aid
	Basic		Preschool		
	FY23	ARP	FY23	ARP	
REVENUES:					
Local Sources					
State Sources					\$ 5,064,518
Federal Sources	\$ 908,944	\$ 20,257	\$ 21,719	\$ 750	
Total Revenues	908,944	20,257	21,719	750	5,064,518
Other Financing Sources:					
Transfer In - Board Contribution - General Fund					1,190,364
Total Revenues and Other Financing Sources	908,944	20,257	21,719	750	6,254,882
EXPENDITURES:					
Instruction:					
Salaries of Teachers					639,173
Purchased Professional and Technical Services					
Purchased Professional and Educational Services					39,267
Tuition	729,434				
General Supplies	24,192	867			217,482
Other Objects					600
Total Instruction	753,626	867			896,522
Support Services:					
Salaries of Supervisors of Instruction					88,969
Salaries of Program Directors					39,822
Salaries of Other Professional Staff		3,056			138,687
Salaries of Secretarial and Clerical Assistants					72,067
Other Salaries					95,510
Salaries of Community Parent Involvement Specialists					228
Salaries of Master Teachers					265,295
Personal Services - Employee Benefits		234			401,507
Purchased Professional and Technical Services	155,318	16,100	21,719	750	
Purchased Education Services - Contracted Pre-K					2,782,497
Purchased Education Services - Head Start					642,075
Purchased Professional and Educational Services					51,026
Other Purchased Professional Services					415
Cleaning, Repair and Maintenance Services					25,155
Rentals					218,527
Other Purchased Services					
Contract Services-Transportation (Between Home and School)					374,224
Contract Services-Transportation (Field Trips)					2,222
Travel					1,701
Miscellaneous Purchased Services					61,211
Supplies and Materials					71,211
Other Objects					2,681
Student Activities					
Scholarships					
Total Support Services	155,318	19,390	21,719	750	5,335,030
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment					15,297
Instructional Equipment					8,033
Buildings					
Total Facilities Acquisition and Construction Services					23,330
Total Expenditures	\$ 908,944	\$ 20,257	\$ 21,719	\$ 750	\$ 6,254,882

DOVER PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	CARES	CRRSA		Local Donations
	Emergency Relief	ESSER II	Learning Acceleration	
REVENUES:				
Local Sources				\$ 1,499
State Sources				
Federal Sources	\$ 7,132	\$ 2,386,840	\$ 196,651	\$ 3,406
Total Revenues	7,132	2,386,840	196,651	3,406
Other Financing Sources:				
Transfer In - Board Contribution - General Fund				
Total Revenues and Other Financing Sources	7,132	2,386,840	196,651	3,406
EXPENDITURES:				
Instruction:				
Salaries of Teachers			147,616	
Purchased Professional and Technical Services		1,299,520		
Purchased Professional and Educational Services				
Tuition				
General Supplies			37,742	1,499
Other Objects				
Total Instruction		1,299,520	185,358	1,499
Support Services:				
Salaries of Supervisors of Instruction				
Salaries of Program Directors				
Salaries of Other Professional Staff				
Salaries of Secretarial and Clerical Assistants				
Other Salaries				
Salaries of Community Parent Involvement Specialists				
Salaries of Master Teachers				
Personal Services - Employee Benefits	7,132		11,293	
Purchased Professional and Technical Services		251,542		3,406
Purchased Education Services - Contracted Pre-K				
Purchased Education Services - Head Start				
Purchased Professional and Educational Services				
Other Purchased Professional Services				
Cleaning, Repair and Maintenance Services				
Rentals				
Other Purchased Services				
Contract Services-Transportation (Between Home and School)				
Contract Services-Transportation (Field Trips)				
Travel				
Miscellaneous Purchased Services				
Supplies and Materials				
Other Objects				
Student Activities				
Scholarships				
Total Support Services	7,132	251,542	11,293	3,406
Facilities Acquisition and Construction Services:				
Non-Instructional Equipment		835,778		
Instructional Equipment				
Buildings				
Total Facilities Acquisition and Construction Services		835,778		
Total Expenditures	\$ 7,132	\$ 2,386,840	\$ 196,651	\$ 3,406

DOVER PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	ARP					Totals
	ESSER III	Learning Acceleration	Summer Learning and Enrichment	Student Activities	Scholarships	
REVENUES:						
Local Sources				\$ 347,615	\$ 87,867	\$ 436,981
State Sources						5,350,528
Federal Sources	\$ 3,842,505	\$ 85,196	\$ 6,651			9,023,505
Total Revenue	<u>3,842,505</u>	<u>85,196</u>	<u>6,651</u>	<u>347,615</u>	<u>87,867</u>	<u>14,811,014</u>
Other Financing Sources:						
Transfer In - Board Contribution - General Fund						1,190,364
Total Revenues and Other Financing Sources	<u>3,842,505</u>	<u>85,196</u>	<u>6,651</u>	<u>347,615</u>	<u>87,867</u>	<u>16,001,378</u>
EXPENDITURES:						
Instruction:						
Salaries of Teachers	324,347		6,178			1,974,942
Purchased Professional and Technical Services	411,906					1,711,426
Purchased Professional and Educational Services						39,267
Tuition						729,434
General Supplies	626,834	85,196				1,070,581
Other Objects						600
Total Instruction	<u>1,363,087</u>	<u>85,196</u>	<u>6,178</u>			<u>5,526,250</u>
Support Services:						
Salaries of Supervisors of Instruction						88,969
Salaries of Program Directors						39,822
Salaries of Other Professional Staff	895,566					1,037,309
Salaries of Secretarial and Clerical Assistants						72,067
Other Salaries						95,510
Salaries of Community Parent Involvement Specialists						228
Salaries of Master Teachers						265,295
Personal Services - Employee Benefits	159,678		473			1,034,260
Purchased Professional and Technical Services	689,533					1,278,751
Purchased Education Services - Contracted Pre-K						2,782,497
Purchased Education Services - Head Start						642,075
Purchased Professional and Educational Services						51,026
Other Purchased Professional Services						286,425
Cleaning, Repair and Maintenance Services						25,155
Rentals						218,527
Other Purchased Services	325,657					325,657
Contract Services-Transportation (Between Home and School)						374,224
Contract Services-Transportation (Field Trips)						2,222
Travel						1,701
Miscellaneous Purchased Services						61,211
Supplies and Materials	180,972					266,914
Other Objects						2,681
Student Activities				338,055		338,055
Scholarships					57,918	57,918
Total Support Services	<u>2,251,406</u>		<u>473</u>	<u>338,055</u>	<u>57,918</u>	<u>9,348,499</u>
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						851,075
Instructional Equipment						8,033
Buildings	228,012					228,012
Total Facilities Acquisition and Construction Services	<u>228,012</u>					<u>1,087,120</u>
Total Expenditures	<u>\$ 3,842,505</u>	<u>\$ 85,196</u>	<u>\$ 6,651</u>	<u>\$ 338,055</u>	<u>\$ 57,918</u>	<u>\$ 15,961,869</u>

DOVER PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

District-Wide Total

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 639,173	\$ 639,173	
Purchased Professional Education Services	42,141	39,267	\$ 2,874
Other Purchases Services	21,388		21,388
General Supplies	255,783	217,482	38,301
Other Objects	51,200	600	50,600
Total Instruction	<u>1,009,685</u>	<u>896,522</u>	<u>113,163</u>
Support Services:			
Salaries of Supervisors of Instruction	91,238	88,969	2,269
Salaries of Program Directors	63,716	39,822	23,894
Salaries of Other Professional Staff	175,433	138,687	36,746
Salaries of Secretarial and Clerical Assistants	103,455	72,067	31,388
Other Salaries	95,510	95,510	
Salaries of Community Parent Involvement Specialists	15,775	228	15,547
Salaries of Master Teachers	265,295	265,295	
Personal Services - Employee Benefits	571,127	401,507	169,620
Purchased Education Services - Contracted Pre-K	3,647,682	2,782,497	865,185
Purchased Education Services - Head Start	642,075	642,075	
Purchased Professional and Educational Services	61,900	51,026	10,874
Other Purchased Professional Services	5,000	415	4,585
Cleaning, Repair and Maintenance Services	179,100	25,155	153,945
Rentals	288,895	218,527	70,368
Contract Services-Transportation (Between Home and School)	492,913	374,224	118,689
Contract Services-Transportation (Field Trips)	44,800	2,222	42,578
Travel	8,900	1,701	7,199
Miscellaneous Purchased Services	150,000	61,211	88,789
Supplies and Materials	152,759	71,211	81,548
Other Objects	14,818	2,681	12,137
Total Support Services	<u>7,070,391</u>	<u>5,335,030</u>	<u>1,735,361</u>
Equipment:			
Instructional Equipment	78,000	8,033	69,967
Noninstructional Equipment	15,500	15,297	203
Total Equipment	<u>93,500</u>	<u>23,330</u>	<u>70,170</u>
Total Expenditures	<u>\$ 8,173,576</u>	<u>\$ 6,254,882</u>	<u>\$ 1,918,694</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2022-2023 Preschool Education Aid Allocation	\$ 4,818,768
Actual Preschool Expansion Aid Carryover (June 30, 2022)	2,331,748
Add: Budgeted Transfer from General Fund 2022-2023	1,190,364
Add: Budgeted Tuition 2022-2023	- 0 -
Total Preschool Education Aid Funds Available for 2022-2023	<u>8,340,880</u>
Less: 2022-2023 Budgeted Preschool Education Expansion Aid Funds	<u>(8,173,576)</u>
Available & Unbudgeted Preschool Education Expansion Aid Funds as of June 30, 2023	167,304
Add: June 30, 2023 Unexpended Preschool Education Expansion Aid	1,918,694
Add: Cancellation of Prior Year Accounts Payable and Encumbrances	6,592
Less: 2022-2023 Commissioner Approved Transfer to the General Fund	- 0 -
2022-2023 Carryover - Preschool Education Expansion Aid	<u>\$ 2,092,590</u>
2022-2023 Carryover - Preschool Education Expansion Aid Budgeted for Preschool Programs in 2023-2024	<u>\$ 173,896</u>

CAPITAL PROJECTS FUND
(NOT APPLICABLE)

PROPRIETARY FUNDS

DOVER PUBLIC SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 534,271
Intergovernmental Accounts Receivable:	
State	5,790
Federal	146,457
Other Accounts Receivable	106,386
Inventories	32,685

Total Current Assets	<u>825,589</u>
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Non-Current Assets:

Capital Assets	887,855
Less: Accumulated Depreciation	<u>(390,616)</u>

Total Non-Current Assets	<u>497,239</u>
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Total Assets	<u>1,322,828</u>
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LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	129,571
Accounts Payable - Capital Assets	32,677
Unearned Revenue - Donated Commodities	7,237
Unearned Revenue - Prepaid Sales	5,875

Total Liabilities	<u>175,360</u>
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NET POSITION:

Investment in Capital Assets	497,239
Unrestricted	650,229

Total Net Position	<u>\$ 1,147,468</u>
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DOVER PUBLIC SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 236,543
Daily Sales - Non-Reimbursable Programs	298,141
Miscellaneous Revenue	3,194
	<hr/>
Total Operating Revenue	537,878
	<hr/>
Operating Expenses:	
Cost of Sales - Reimbursable Programs	497,131
Cost of Sales - Non-Reimbursable Programs	777,565
Salaries, Benefits & Payroll Taxes	1,054,565
Other Purchased Services	18,978
Supplies, Insurance and Other Costs	648,165
Management Fee	144,629
Miscellaneous Expenses	2,576
Depreciation Expense	40,742
	<hr/>
Total Operating Expenses	3,184,351
	<hr/>
Operating Loss	(2,646,473)
	<hr/>
Non-Operating Income:	
State Sources:	
State School Breakfast Program	8,567
State School Lunch Program	47,614
State After the Bell Program	17,764
Summer Food Service Program - State Supplement	2,247
Federal Sources:	
School Breakfast Program	418,615
National School Lunch Program	1,355,773
Fresh Fruit and Vegetable Program	89,715
Summer Food Service Program	85,706
Supply Chain Assistance	157,757
Local Food for School Lunches	120
Paycheck Protection Plan Loan Reimbursement from Food Service Management Contractor	132,191
Food Distribution Program	51,370
	<hr/>
Total Non-Operating Income	2,367,439
	<hr/>
Change in Net Position	(279,034)
	<hr/>
Net Position - Beginning of Year (Restated)	1,426,502
	<hr/>
Net Position - End of Year	\$ 1,147,468
	<hr/> <hr/>

DOVER PUBLIC SCHOOL DISTRICT
ENTERPRISE FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 437,367
Payments to Food Service Contractor	(2,541,249)
Payments to/for Employees	(42,226)
Payments for Suppliers	<u>(617,843)</u>
Net Cash Used for Operating Activities	<u>(2,763,951)</u>
Cash Flows from Capital and Related Financing Activities:	
Purchases of Capital Assets	<u>(2,059)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(2,059)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources Collected in Food Service Fund	73,707
Federal Sources Collected in Food Service Fund	<u>2,292,102</u>
Net Cash Provided by Noncapital Financing Activities	<u>2,365,809</u>
Net Decrease in Cash and Cash Equivalents	(400,201)
Cash and Cash Equivalents, July 1	<u>934,472</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 534,271</u></u>
Reconciliation of Operating Loss to Net Cash	
Provided by Operating Activities:	
Operating Loss	\$ (2,646,473)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	40,742
Food Distribution Program	51,370
Changes in Assets and Liabilities:	
Increase in Unearned Revenue - Donated Commodities	7,193
Increase in Unearned Revenue - Prepaid Sales	5,875
(Decrease) in Accounts Payable	(113,231)
(Increase) in Other Accounts Receivable	(106,386)
(Increase) in Inventory	<u>(3,041)</u>
Net Cash Used for Operating Activities	<u><u>\$ (2,763,951)</u></u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. Commodities through the Food Distribution Program valued at \$58,563 and utilized U.S.D.A. Commodities valued at \$51,370.

FIDUCIARY ACTIVITIES
(NOT APPLICABLE)

LONG-TERM LIABILITIES

DOVER PUBLIC SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding			Interest Rate	Balance July 1, 2022	Matured	Balance June 30, 2023
			Date	Amount	June 30, 2023				
School Refunding Bonds	02/17/22	\$ 3,191,000	04/01/24	\$ 647,000		4.000%			
			04/01/25	662,000		4.000%			
			04/01/26	670,000		4.000%	\$ 2,611,000	\$ 632,000	\$ 1,979,000
						\$ 2,611,000	\$ 632,000	\$ 1,979,000	

DOVER PUBLIC SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Purpose</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2022</u>	<u>Matured</u>	<u>Balance June 30, 2023</u>
Apple, Inc. Computer Equipment	0%	\$ 749,350	\$ 374,755	\$ 187,418	\$ 187,337
Apple, Inc. Computer Equipment	0%	453,820	<u>340,365</u>	<u>113,455</u>	<u>226,910</u>
			<u>\$ 715,120</u>	<u>\$ 300,873</u>	<u>\$ 414,247</u>

DOVER PUBLIC SCHOOL DISTRICT
LONG-TERM LIABILITIES
SCHEDULE OF OBLIGATIONS UNDER LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Purpose	Interest Rate	Original Issue	Balance		Matured	Balance June 30, 2023
			July 1, 2022	Issued		
Pitney Bowes (Academy Street)	14.44%	\$ 2,043	\$ 1,972	\$	312	\$ 1,660
Pitney Bowes (Board Office)	14.46%	3,783	3,783		558	3,225
Cannon Copiers (UBS)	1.57%	132,412	95,942		26,234	69,708
St. Clement (Connery Hall)	3.00%	495,624		\$ 495,624	101,148	394,476
St. Mary's Church (School)	3.00%	1,336,817		1,336,817	227,919	1,108,898
			\$ 101,697	\$ 1,832,441	\$ 356,171	\$ 1,577,967

DOVER PUBLIC SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 675,598	2	\$ 675,600	\$ 675,600	
Total Revenues	675,598	2	675,600	675,600	
EXPENDITURES:					
Regular Debt Service:					
Interest	24,174	19,426	43,600	43,600	
Redemption of Principal	651,426	(19,426)	632,000	632,000	
Total Regular Debt Service	675,600		675,600	675,600	
Total Expenditures	675,600		675,600	675,600	
Excess/(Deficit) of Revenue Over/(Under) Expenditures	(2)	2	-0-	-0-	
Fund Balance, July 1	-0-		-0-	-0-	
Fund Balance, June 30	\$ (2)	\$ 2	\$ -0-	\$ -0-	\$ -0-
<u>Recapitulation of Fund Balance:</u>					
Restricted			\$ -0-	\$ -0-	\$ -0-

STATISTICAL SECTION
(UNAUDITED)

This part of the District’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Districts’ overall financial health.

Contents

	<u>Exhibit</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	J-1 thru J-5
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	J-6 thru J-9
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 thru J-13
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.	J-14 thru J-15
Operating Information These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

DOVER PUBLIC SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities:										
Net Investment in Capital Assets	\$ 17,885,060	\$ 19,379,517	\$ 22,854,493	\$ 25,170,173	\$ 26,411,165	\$ 27,745,164	\$ 32,742,476	\$ 34,038,313	\$ 24,816,479	\$ 28,278,509
Restricted	9,980,821	9,762,641	9,378,478	8,279,010	7,898,901	8,490,627	6,825,250	10,599,158	9,439,466	9,772,821
Unrestricted/(Deficit)	(10,502,958)	(10,547,530)	(11,014,923)	(11,557,616)	(11,834,691)	(10,642,592)	(10,928,764)	(12,014,052)	(8,040,496)	(8,226,172)
Total Governmental Activities Net Position	\$ 17,362,923	\$ 18,594,628	\$ 21,218,048	\$ 21,891,567	\$ 22,475,375	\$ 25,593,199	\$ 28,638,962	\$ 32,623,419	\$ 26,215,449	\$ 29,825,158
Business-type Activities:										
Investment in Capital Assets	\$ 101,101	\$ 85,347	\$ 82,450	\$ 162,998	\$ 191,068	\$ 174,123	\$ 260,666	\$ 494,097	\$ 503,245	\$ 497,239
Unrestricted	547,104	649,345	714,630	790,402	772,837	827,292	764,214	682,965	923,257	650,229
Total Business-type Activities Net Position	\$ 648,205	\$ 734,692	\$ 797,080	\$ 953,400	\$ 963,905	\$ 1,001,415	\$ 1,024,880	\$ 1,177,062	\$ 1,426,502	\$ 1,147,468
District-wide:										
Net Investment in Capital Assets	\$ 17,986,161	\$ 19,464,864	\$ 22,936,943	\$ 25,333,171	\$ 26,602,233	\$ 27,919,287	\$ 33,003,142	\$ 34,532,410	\$ 25,319,724	\$ 28,775,748
Restricted	9,980,821	9,762,641	9,378,478	8,279,010	7,898,901	8,490,627	6,825,250	10,599,158	9,439,466	9,772,821
Unrestricted/(Deficit)	(9,955,854)	(9,898,185)	(10,300,293)	(10,767,214)	(11,061,854)	(9,815,300)	(10,164,550)	(11,331,087)	(7,117,239)	(7,575,943)
Total District Net Position	\$ 18,011,128	\$ 19,329,320	\$ 22,015,128	\$ 22,844,967	\$ 23,439,280	\$ 26,594,614	\$ 29,663,842	\$ 33,800,481	\$ 27,641,951	\$ 30,972,626

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$20,735,418	\$24,512,706	\$27,371,929	\$29,583,414	\$26,553,040	\$24,852,876	\$27,402,943	\$32,114,852	\$ 30,468,849	\$ 34,166,237
Special Education	3,419,290	3,561,629	3,459,093	3,867,804	7,641,399	7,226,061	3,898,532	4,239,700	5,378,852	4,343,597
Other Special Education							1,920,794	3,007,344	2,865,384	3,092,570
Other Instruction	2,420,813	2,532,491	2,867,643	2,961,443	775,211	822,721	1,077,091	687,027	1,259,212	1,093,528
Support Services:										
Tuition	3,382,631	3,345,620	3,600,982	3,990,060	4,465,842	5,285,961	5,150,670	5,342,743	5,479,260	6,410,333
Student & Instruction Related Services	4,717,295	4,629,839	5,442,880	5,598,811	6,439,642	6,408,745	6,427,142	10,627,297	14,819,106	17,975,935
General Administrative Services	1,718,172	1,915,911	2,188,841	2,343,116	1,375,537	1,347,531	1,707,544	1,779,014	1,334,878	1,642,706
School Administrative Services	3,088,860	3,465,746	3,439,352	3,573,861	3,687,051	3,420,567	2,332,683	2,612,344	4,038,098	4,478,437
Central Services				921,693	842,478		678,621	1,029,352	815,451	1,206,789
Administrative Information Technology							134,305	103,385	133,729	66,274
Plant Operations and Maintenance	3,716,723	3,847,428	3,949,709	3,818,921	4,549,045	4,607,499	3,977,779	4,352,445	5,835,672	7,529,118
Pupil Transportation	1,561,011	1,717,387	1,942,125	2,020,345	3,138,060	3,242,439	2,784,354	2,137,424	4,700,988	6,066,997
Transfer of Funds to Charter School	14,296	43,632	66,535	66,000	42,997	21,175	11,895	12,449	9,044	10,021
Business and Other Support Services							49,462	80,132		
Assessment for Debt Service on SDA Funding	72,816	72,816	72,816	72,816	72,816	72,816	162,175	141,363	126,400	43,600
Interest on Long-term Debt	238,342	222,025	208,113	197,838	186,025	170,163	1,212,468	348,124	1,048,021	
Unallocated Depreciation										
Total Governmental Activities Expenses	45,085,667	49,867,230	54,610,018	58,094,429	59,848,358	58,321,032	58,928,458	68,614,995	78,312,944	88,126,142
Business-type Activities:										
Food Service	1,510,309	1,670,727	1,843,803	1,876,235	1,909,960	1,788,642		1,013,816	2,776,509	3,184,351
Total Business-type Activities Expense	1,510,309	1,670,727	1,843,803	1,876,235	1,909,960	1,788,642		1,013,816	2,776,509	3,184,351
Total District-wide Expenses	\$ 46,595,976	\$ 51,537,957	\$ 56,453,821	\$ 59,970,664	\$ 61,758,318	\$ 60,109,674	\$ 58,928,458	\$ 69,628,811	\$ 81,089,453	\$ 91,310,493
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Regular Instruction	\$ 2,118,825	\$ 2,195,061	\$ 2,069,694	\$ 1,706,144	\$ 1,518,023	\$ 1,386,115			\$ 2,646,491	\$ 1,941,127
Special Education Instruction										122,823
Student and Instruction Related Services										347,615
Operating Grants and Contributions	9,167,316	12,807,144	18,024,880	20,283,781	3,269,549	3,534,427	\$ 12,103,553	21,623,789	26,924,023	29,099,178
Total Governmental Activities Program Revenues	11,286,141	15,002,205	20,094,574	21,989,925	4,787,572	4,920,542	12,103,553	21,718,238	29,570,514	31,510,743
Program Revenues:										
Business-type Activities:										
Charges for Services:										
Food Service	\$ 315,526	\$ 317,497	\$ 336,979	\$ 322,335	\$ 334,529	\$ 350,090	\$ 345,994	\$ 56,832	\$ 207,664	\$ 537,878
Capital Contributions	1,290,925	1,437,868	1,562,605	1,623,500	1,583,242	1,467,587			2,763,286	2,367,439
Total Business-type Activities Program Revenues	1,606,451	1,755,365	1,899,584	1,945,835	1,917,771	1,817,677	345,994	56,832	2,970,950	2,905,317
Total District-wide Program Revenues	\$ 12,892,592	\$ 16,757,570	\$ 21,994,158	\$ 23,935,760	\$ 6,705,343	\$ 6,738,219	\$ 12,449,547	\$ 21,773,070	\$ 32,541,464	\$ 34,416,060

DOVER PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
UNAUDITED
(Accrual Basis of Accounting)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net (Expense)/Revenue:										
Governmental Activities	\$ (33,799,526)	\$ (34,865,025)	\$ (34,515,444)	\$ (36,104,504)	\$ (55,060,786)	\$ (53,400,490)	\$ (46,824,905)	\$ (46,896,757)	\$ (48,742,430)	\$ (56,615,399)
Business-type Activities	96,142	84,638	55,781	69,600	7,811	29,035	345,994	(956,984)	194,441	(279,034)
Total District-wide Net Expense	\$ (33,703,384)	\$ (34,780,387)	\$ (34,459,663)	\$ (36,034,904)	\$ (55,052,975)	\$ (53,371,455)	\$ (46,478,911)	\$ (47,853,741)	\$ (48,547,989)	\$ (56,894,433)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	13,070,480	13,106,480	13,106,480	13,574,519	14,246,172	15,601,137	16,626,173	16,231,423	16,556,051	16,556,051
Taxes Levied for Debt Service	446,508	508,788	512,551	725,463	714,213	714,213	711,361	711,361	706,400	675,600
Unrestricted Grants and Contributions	22,711,170	22,783,398	22,266,016	22,318,614	41,238,852	39,943,626	31,365,673	33,404,330	33,903,727	42,104,640
Tuition							1,306,200	1,492,160		
Investment Earnings	34,493	35,130	36,812	31,791	32,309	118,612		1,500		291,447
Miscellaneous Income	236,148	162,623	405,857	191,305	221,419	258,875	572,619	1,093,833	772,414	597,370
Transfers					(94,159)	(120,109)				
Disposal of Capital assets (Net)	382,207	(499,688)	81,149	(63,668)						
Total Governmental Activities	36,881,006	36,096,731	37,138,865	36,778,024	55,644,593	56,516,354	49,870,665	52,934,607	51,938,592	60,225,108
Business-type Activities:										
Investment Earnings	1,652	1,849	2,129	2,263	2,694	8,476	2,647			
Capital Contributions/(Disposals)			4,477							
Total Business-type Activities	1,652	1,849	6,606	2,263	2,694	8,476	2,647			
Total District-wide General Revenues and Other Changes in Net Position	\$ 36,882,658	\$ 36,098,580	\$ 37,145,471	\$ 36,780,287	\$ 55,647,287	\$ 56,524,830	\$ 49,873,312	\$ 52,934,607	\$ 51,938,592	\$ 60,225,108
Change in Net Position:										
Governmental Activities	\$ 3,081,480	\$ 1,231,706	\$ 2,623,421	\$ 673,520	\$ 583,807	\$ 3,115,864	\$ 3,045,760	\$ 6,037,850	\$ 3,196,162	\$ 3,609,709
Business-type Activities	97,794	86,487	62,387	71,863	10,505	37,511	348,641	(956,984)	194,441	(279,034)
Total District-wide Change in Net Position	\$ 3,179,274	\$ 1,318,193	\$ 2,685,808	\$ 745,383	\$ 594,312	\$ 3,153,375	\$ 3,394,401	\$ 5,080,866	\$ 3,390,603	\$ 3,330,675

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
UNAUDITED

June 30,

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted	\$ 10,028,830	\$ 6,981,270	\$ 7,131,247	\$ 7,964,175	\$ 6,242,197	\$ 7,620,846	\$ 5,484,578	\$ 8,820,622	\$ 9,150,086	\$ 9,443,932
Assigned	(1,388,953)	2,815,079	2,286,046	343,449	1,656,702	1,815,779	1,340,669	1,513,803		
Unassigned/Deficit		(1,416,677)	(1,448,468)	(1,323,618)	(1,432,212)	(1,483,487)	(1,270,105)	(243,086)	773,334	(183,591)
Total General Fund	\$ 8,639,877	\$ 8,379,672	\$ 7,968,825	\$ 6,984,006	\$ 6,466,687	\$ 7,953,138	\$ 5,555,142	\$ 10,091,339	\$ 9,923,420	\$ 9,260,341
All Other Governmental Funds:										
Restricted	\$	2 \$	2 \$	3 \$	1 \$	2 \$	2 \$	2 \$	2 \$	2 \$
Unassigned/(Deficit)	(48,010)	(33,710)	(38,817)	(28,616)	(25,538)	(34,218)	(146,712)	(459,348)	(469,853)	(480,071)
Total All Other Governmental Funds/(Deficit)	\$ (48,010)	\$ (33,708)	\$ (38,815)	\$ (28,613)	\$ (25,537)	\$ (34,216)	\$ (146,710)	\$ (197,615)	\$ (180,473)	\$ (151,182)
Total Governmental Funds:										
Restricted	\$ 10,028,830	\$ 6,981,272	\$ 7,131,249	\$ 7,964,178	\$ 6,242,198	\$ 7,620,848	\$ 5,484,580	\$ 9,082,355	\$ 9,439,466	\$ 9,772,821
Assigned	(1,388,953)	2,815,079	2,286,046	343,449	1,656,702	1,815,779	1,340,669	1,513,803		
Unassigned/(Deficit)	(48,010)	(1,450,387)	(1,487,285)	(1,352,234)	(1,457,750)	(1,517,705)	(1,416,817)	(702,434)	303,481	(663,662)
Total Governmental Funds	\$ 8,591,867	\$ 8,345,964	\$ 7,930,010	\$ 6,955,393	\$ 6,441,150	\$ 7,918,922	\$ 5,408,432	\$ 9,893,724	\$ 9,742,947	\$ 9,109,159

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax Levy	\$ 13,755,330	\$ 13,837,293	\$ 13,827,143	\$ 14,299,982	\$ 14,246,172	\$ 16,315,350	\$ 16,626,173	\$ 16,942,784	\$ 17,262,451	\$ 17,231,651
Tuition from Other LEAs										
Interest Earned on Capital Reserve	34,493	35,130	36,812	31,791		118,612		1,500	897	
Miscellaneous	236,148	162,623	405,857	191,305	253,728	258,875	572,619	1,099,433	1,075,424	1,325,798
State Sources	29,060,141	29,515,432	30,025,425	30,677,883	32,476,119	35,784,346	39,411,331	44,385,947	54,406,936	63,608,573
Federal Sources	2,580,003	2,627,346	2,644,804	2,698,064	2,671,453	2,795,110	2,175,103	5,072,275	7,837,504	11,683,089
Private Sources					99,142	120,109	1,830	125,064		
Total Revenue	47,784,940	48,372,885	49,009,735	49,605,169	51,264,637	56,778,517	60,093,256	69,119,163	82,925,797	95,913,061
Expenditures										
Instruction										
Regular Instruction	14,767,950	16,229,086	15,662,456	16,047,693	15,814,653	15,929,576	16,852,526	18,773,119	20,312,973	23,214,414
Special Education Instruction	1,756,532	1,764,372	1,638,742	1,786,375	3,083,036	3,395,383	2,472,314	2,356,970	3,696,716	2,772,658
Other Special Instruction	1,581,922	1,544,251	1,540,042	1,525,204	729,913	775,203	1,120,812	1,374,793	1,679,876	1,849,614
School-Sponsored/Other Instruction							715,689	637,074	823,208	839,691
Support Services:										
Tuition	3,382,631	3,345,620	3,600,982	3,990,060	4,465,842	5,285,961	5,150,670	5,342,743	5,479,260	6,410,333
Student & Other Instruction Related Services	3,536,842	3,302,928	3,368,253	3,321,665	4,143,836	4,487,749	4,168,670	7,458,880	12,863,234	15,520,042
General Administrative Services	1,269,690	1,317,804	1,370,710	1,377,541	951,128	980,534	1,327,330	1,294,757	1,206,115	1,168,478
School Administrative Services	2,087,791	2,093,098	1,791,300	1,756,054	1,915,369	1,958,634	2,263,538	2,290,242	2,464,878	2,749,709
Central Services					469,447	470,347	423,159	597,923	684,399	895,508
Administrative Information Technology							78,386	72,700	121,311	64,607
Plant Operations And Maintenance	3,100,885	3,048,959	2,913,442	2,722,225	2,830,478	3,185,241	3,147,447	3,308,078	4,636,474	6,549,704
Student Transportation Services	1,344,022	1,454,842	1,577,998	1,595,340	1,834,369	2,151,106	2,734,893	2,057,292	4,576,495	5,376,654
Unallocated Benefits	10,883,645	11,193,467	11,818,694	12,453,254	12,760,310	13,763,281	15,748,624	17,067,145	20,688,283	23,152,085
Debt Service:										
Principal	490,000	505,000	510,000	525,000	525,000	540,000	555,000	570,000	580,000	632,000
Interest and Other Charges	242,519	225,813	210,663	200,463	189,963	174,213	158,013	141,363	126,400	43,600
Capital Outlay	1,661,625	2,477,101	3,283,056	3,140,097	1,928,377	2,062,234	5,654,780	1,757,862	1,646,054	7,130,172
Transfer of Funds to Charter School	14,296	43,632	66,535	66,000	42,997	21,175	11,895	12,449	9,044	10,021
Total Expenditures	46,120,350	48,545,973	49,352,873	50,506,971	51,684,718	55,180,637	62,583,746	65,113,390	81,594,720	98,379,290
Excess/(Deficit) of Revenues										
Over/(Under) Expenditures	1,664,590	(173,088)	(343,138)	(901,802)	(420,081)	1,597,880	(2,490,490)	4,005,773	1,331,077	(2,466,229)

DOVER PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS

MODIFIED ACCRUAL BASIS OF ACCOUNTING

UNAUDITED
(Continued)

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing Sources/(Uses)										
Refunding Bond Issued									\$ 2,611,000	
Serial Bonds Defeased									(2,580,000)	
Bond Issuance Costs									(31,000)	
Transfers Out									5,826	\$ 1,832,441
Leases (Non-Budgeted)					\$ (94,159)	\$ (120,109)			453,820	
Financed Purchases (Non-Budgeted)										
Accounts Receivable Canceled								\$ (5,600)		
Total Other Financing Sources/(Uses)					(94,159)	(120,109)		(5,600)	459,646	1,832,441
Net Change in Fund Balances	\$ 1,664,590	\$ (173,088)	\$ (343,138)	\$ (901,802)	\$ (514,240)	\$ 1,477,771	\$ (2,490,490)	\$ 4,000,173	\$ 1,790,723	\$ (633,788)
Debt Service as a Percentage of Nonecapital Expenditures	1.65%	1.59%	1.47%	1.45%	1.40%	1.30%	1.15%	1.10%	0.87%	0.69%

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
UNAUDITED

Fiscal Year Ending June 30,	Interest on Investments	Tuition/ Transportation Fees	E-Rate Reimbursement	Shared Service Fees	Miscellaneous	Total
2014	\$ 34,493	\$ 2,118,825			\$ 236,148	\$2,389,466
2015	35,130	2,195,061			157,709	2,387,900
2016	36,812	2,069,694			401,717	2,508,223
2017	31,791	1,706,144			191,305	1,929,240
2018	32,309	1,518,023			221,419	1,771,751
2019	118,612	1,386,115			258,875	1,763,602
2020	115,406	1,306,200			457,213	1,878,819
2021	1,500	1,492,160			1,099,433	2,593,093
2022	20,328	2,342,585			752,087	3,115,000
2023	291,447	2,063,950	\$ 52,400	\$ 229,167	315,803	2,952,767

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2013	\$ 9,628,200	\$ 1,028,952,800	\$ 265,697,700	\$ 126,669,100	\$ 47,262,500	\$ 1,478,210,300	\$ - 0 -	\$ 1,478,210,300	\$ 0.87	\$ 1,340,652,204
2014	9,783,600	1,022,593,100	263,599,400	125,539,100	49,856,000	1,471,371,200	- 0 -	1,471,371,200	0.88	1,294,957,930
2015	12,316,100	1,017,614,600	261,198,000	122,426,200	50,906,000	1,464,460,900	- 0 -	1,464,460,900	0.89	1,296,442,015
2016	* 10,864,600	852,915,100	270,637,400	112,159,700	45,449,200	1,292,026,000	- 0 -	1,292,026,000	1.02	1,330,065,884
2017	10,926,200	851,294,000	270,267,400	112,159,700	45,800,400	1,290,447,700	- 0 -	1,290,447,700	1.04	1,354,658,514
2018	7,599,400	853,241,800	280,787,500	112,115,500	46,008,700	1,299,752,900	- 0 -	1,299,752,900	1.10	1,378,939,442
2019	7,558,800	855,671,900	276,583,500	111,521,600	46,021,800	1,297,357,600	- 0 -	1,297,357,600	1.04	1,384,029,351
2020	6,403,400	857,716,700	272,760,000	111,221,600	46,031,800	1,294,133,500	- 0 -	1,294,133,500	1.34	1,437,322,559
2021	6,552,100	861,028,200	279,080,800	110,466,300	46,048,800	1,303,176,200	- 0 -	1,303,176,200	1.38	1,433,949,589
2022	7,084,100	864,793,700	278,193,400	107,554,000	46,048,800	1,303,674,000	- 0 -	1,303,674,000	1.37	1,538,507,797

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

Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
 b Tax rates are per \$100 of assessed valuation.

* A reassessment of property occurred in this year.

DOVER PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)

Year Ended December 31,	Dover Public School District						Total Direct and Overlapping Tax Rate
	Direct Rate			Overlapping Rates			
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Town of Dover	Morris County		
2013	\$ 0.83	\$ 0.05	\$ 0.88	\$ 0.89	\$ 0.23	\$ 2.00	
2014	0.83	0.05	0.88	0.92	0.24	2.04	
2015	0.84	0.05	0.89	0.95	0.22	2.06	
2016	0.97	0.05	1.02	1.12	0.27	2.41	
2017	1.01	0.03	1.04	1.16	0.27	2.47	
2018	1.08	0.03	1.11	1.20	0.28	2.59	
2019	1.00	0.04	1.04	1.26	0.28	2.58	
2020	1.28	0.06	1.34	1.34	0.29	2.97	
2021	1.32	0.05	1.38	1.39	0.29	3.05	
2022	1.32	0.05	1.37	1.42	0.30	3.09	

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

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation Taxable.

b Rates for debt service are based on each year's requirements.

* A reassessment of property occurred in this year.

Source: Town Tax Collector and School Business Administrator.

DOVER PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

	2022		2013			
	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
MPT of Morris, LLC		\$ 45,369,600	3.48%			
Piret (Dover) Holdings LLC		17,932,200	1.38%			
Home Depot USA Inc.		13,388,800	1.03%			
AHIP NJ Dover Properties, LLC		10,060,000	0.77%			
Casino, Inc.		10,020,200	0.77%			
SW Dover Hills, LLC		9,689,000	0.74%			
Dover Capital, LLC		8,211,800	0.63%			
Briad Lodging Group Dover II, LLC		7,000,000	0.54%			
Denville-Morris Properties, LLC		6,790,800	0.52%			
Dover Fox Tenants Corp.		6,250,000	0.48%			
Total		\$ 134,712,400	10.33%			

INFORMATION NOT AVAILABLE

Source: Town of Dover Tax Assessor

DOVER PUBLIC SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 13,755,330	\$ 13,755,330	100.00%	\$ - 0 -
2015	13,837,293	13,837,293	100.00%	- 0 -
2016	13,827,143	13,827,143	100.00%	- 0 -
2017	14,299,982	14,299,982	100.00%	- 0 -
2018	14,246,172	14,246,172	100.00%	- 0 -
2019	16,315,350	16,315,350	100.00%	- 0 -
2020	16,626,173	16,626,173	100.00%	- 0 -
2021	16,231,423	14,448,540	89.02%	1,782,883
2022	17,262,451	16,108,834	93.32%	1,153,617
2023	17,231,651	16,077,254	93.30%	1,154,397

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

Source: Dover Public School District records including the Certificate & Report of School Taxes.

DOVER PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Financed Purchases	Leases			
2014	\$ 6,890,000			\$ 6,890,000	0.47%	\$ 377
2015	6,385,000			6,385,000	0.42%	351
2016	5,875,000			5,875,000	0.37%	323
2017	5,350,000			5,350,000	0.32%	296
2018	4,825,000			4,825,000	0.29%	268
2019	4,285,000			4,285,000	0.25%	239
2020	3,730,000			3,730,000	0.21%	211
2021	3,160,000	\$ 562,132	\$ 121,679	3,843,811	0.19%	218
2022	2,611,000	715,120	101,697	3,427,817	0.17%	186
2023	1,979,000	414,247	1,577,967	3,971,214	0.20%	216

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

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

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 6,890,000	\$ - 0 -	\$ 6,890,000	0.47%	\$ 377
2015	6,385,000	- 0 -	6,385,000	0.43%	351
2016	5,875,000	- 0 -	5,875,000	0.40%	323
2017	5,350,000	- 0 -	5,350,000	0.41%	296
2018	4,825,000	- 0 -	4,825,000	0.37%	268
2019	4,285,000	- 0 -	4,285,000	0.33%	239
2020	3,730,000	- 0 -	3,730,000	0.29%	211
2021	3,160,000	- 0 -	3,160,000	0.24%	171
2022	2,611,000	- 0 -	2,611,000	0.20%	142
2023	1,979,000	- 0 -	1,979,000	0.15%	107

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

- a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.
- b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Source: Dover Public School District Financial Reports.

DOVER PUBLIC SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
UNAUDITED

<u>Governmental Unit</u>	<u>Debt</u> <u>Outstanding</u>	<u>Estimated</u> <u>Percentage</u> <u>Applicable ^a</u>	<u>Estimated</u> <u>Share of</u> <u>Overlapping</u> <u>Debt</u>
Debt Repaid With Property Taxes			
Town of Dover	\$ 25,866,935	100.00%	\$ 25,866,935
Morris County - General Debt Obligation	253,387,955	1.52%	<u>3,859,325</u>
Subtotal, Overlapping Debt			<u>29,726,260</u>
Dover Public School District Direct Debt			<u>2,611,000</u>
Total Direct And Overlapping Debt			<u><u>\$ 32,337,260</u></u>

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

- ^a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of the Town of Dover's equalized property value that is within the Morris County's boundaries and dividing it by Morris County's total equalized property value.

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

DOVER PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 41,638,855	\$ 39,783,933	\$ 39,363,279	\$ 39,214,658	\$ 39,811,664	\$ 41,583,205	\$ 57,474,949	\$ 56,215,502	\$ 58,246,184	\$ 61,267,509
Total Net Debt Applicable to Limit	6,890,000	6,385,000	5,875,000	5,350,000	4,825,000	4,285,000	3,730,000	3,160,000	2,611,000	1,979,000
Legal Debt Margin	\$ 34,748,855	\$ 33,398,933	\$ 33,488,279	\$ 33,864,658	\$ 34,986,664	\$ 37,298,205	\$ 53,744,949	\$ 53,055,502	\$ 55,635,184	\$ 59,288,509
Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	16.55%	16.05%	14.93%	13.64%	12.12%	10.30%	6.49%	5.62%	9.48%	3.23%

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized Valuation Basis
	2022
	\$ 1,655,879,588
	2021
	1,526,682,521
	2020
	1,412,501,091
	<u>\$ 4,595,063,200</u>
Average Equalized Valuation of Taxable Property	\$ 1,531,687,733
Debt Limit (4% of average equalization value)	\$ 61,267,509
Net Bonded School Debt as of June 30, 2023	<u>1,979,000</u>
Legal Debt Margin	<u>\$ 59,288,509</u>

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

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

DOVER PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Morris County Per Capita Personal Income ^c	Personal Income ^b	Unemployment Rate ^d
2014	18,182	\$ 84,287	\$ 1,532,506,234	4.70%
2015	18,162	88,298	1,603,668,276	4.30%
2016	18,083	91,252	1,650,109,916	3.80%
2017	18,025	93,544	1,686,130,600	3.50%
2018	17,916	97,244	1,742,223,504	3.40%
2019	17,708	99,140	1,755,571,120	2.60%
2020	17,619	102,227	1,801,137,513	7.60%
2021	18,427	107,767	1,985,822,509	4.70%
2022	18,422	107,767 *	1,985,283,674 ***	2.90%
2023	18,422 **	107,767 *	1,985,283,674 ***	N/A

* - Latest Morris County per capita personal income available (2021) was used for calculation purposes.

** - Latest population data available (2022) was used for calculation purposes.

*** - Latest available population data (2022) and latest available Morris County per capita personal income (2021) was used for calculation purposes.

N/A - Information is not available

Sources:

- a - Population information provided by the NJ Dept of Labor and Workforce Development
- b - Personal income has been estimated based upon the municipal population and per capita personal income presented
- c - Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.
- d - Unemployment data provided by the NJ Dept of Labor and Workforce Development

DOVER PUBLIC SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - MORRIS COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2022			2013		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Atlantic Health System	10,552	1	4.05%	5,841	1	2.27%
Novartis	6,500	2	2.49%	5,035	2	1.96%
Picatinny Arsenal	6,000	3	2.30%	4,463	3	1.74%
Barclays	3,374	4	1.29%	2,060	4	0.80%
ADP	2,400	5	0.92%	1,900	5	0.74%
Accenture	2,344	6	0.90%	1,674	6	0.65%
PricewaterhouseCoopers	2,095	7	0.80%	1,653	7	0.64%
Cigna	1,686	8	0.65%	1,642	8	0.64%
Deloitte & Touche	1,646	9	0.63%	1,500	9	0.58%
Saint Clare's Health	1,473	10	0.57%	1,480	10	0.58%
Total	38,070		14.61%	27,248		10.60%
Total Employment	260,558			257,024		

Source: Morris County Treasurer's Office.

DOVER PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</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>	<u>2023</u>
Instruction:										
Regular	221.0	221.0	229.0	225.0	226.0	227.0	227.0	195.0	269.0	258.0
Special Education	39.0	46.0	42.0	41.0	49.0	48.0	52.0	57.0	74.0	40.0
Other Special Education								25.0	37.0	23.0
Other Instruction								1.0	5.0	
Support Services:										
Student & Instruction Related Services	39.0	28.0	28.0	30.0	27.0	28.0	28.0	63.0	91.0	86.0
General Administrative Services								4.0	5.0	5.0
School Administrative Services	29.0	28.0	26.0	26.0	25.0	25.0	25.0	25.0	31.0	29.0
Business Administrative Services	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	10.0	9.0
Administrative Information Technology								1.0	3.0	13.0
Plant Operations and Maintenance	39.0	40.0	39.0	40.0	36.0	36.0	36.0	36.0	54.0	47.0
Pupil Transportation	6.0	5.0	6.0	5.0	5.0	5.0	5.0	12.0	17.0	25.0
Total	379.0	374.0	376.0	373.0	374.0	375.0	379.0	425.0	596.0	535.0

Source: Dover Public School District records.

DOVER PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle				
2014	3,083	\$ 41,072,119	\$ 13,322	-8.77%	260	145	148	3,083	2,959	1.82%	95.98%
2015	3,169	41,426,489	13,072	-1.88%	260	146	171	3,169	3,064	2.79%	96.70%
2016	3,196	45,385,128	14,201	8.64%	265	146	170	3,216	3,102	1.50%	96.45%
2017	3,264	41,592,612	13,601	-4.23%	240	152	162	3,224	3,095	0.24%	95.99%
2018	3,096	49,041,379	15,840	16.46%	240	153	162	3,312	3,179	2.72%	96.00%
2019	3,086	52,404,191	15,440	-2.53%	243	154	166	3,205	3,074	-3.22%	95.92%
2020	3,173	56,235,954	17,470	13.15%	256	155	160	3,206	3,082	0.01%	96.15%
2021	3,092	62,644,162	17,883	2.36%	260	176	149	3,254	3,045	1.51%	93.57%
2022	3,223	79,242,266	24,586	37.49%	260	17	15	3,254	3,045	0.00%	93.58%
2023	3,273	90,573,518	27,673	12.55%	258	25	25	3,300	3,100	1.41%	93.94%

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The cost per pupil calculated above is the sum of operating enrollment divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

Source: Dover Public School District records.

DOVER PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

District Building	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Academy Street										
Square Feet	52,364	52,364	52,364	52,364	52,364	52,364	52,364	52,364	52,364	52,364
Capacity (students)	560	560	560	560	560	560	560	560	560	560
Enrollment	561	601	558	551	555	555	548	494	487	482
East Dover										
Square Feet	98,790	98,790	98,790	98,790	98,790	98,790	98,790	98,790	98,790	98,790
Capacity (students)	884	884	884	884	884	884	884	884	884	884
Enrollment	476	479	489	523	480	480	474	393	409	414
North Dover										
Square Feet	56,705	56,705	56,705	56,705	56,705	56,705	56,705	56,705	56,705	56,705
Capacity (students)	614	614	614	614	614	614	614	614	614	614
Enrollment	751	757	737	704	682	682	693	638	639	674
Dover Middle School										
Square Feet	63,790	63,790	63,790	63,790	63,790	63,790	63,790	63,790	63,790	63,790
Capacity (students)	728	728	728	728	728	728	728	728	728	728
Enrollment	482	457	495	530	488	488	512	557	524	544
Dover High School										
Square Feet	157,500	157,500	157,500	157,500	157,500	157,500	157,500	157,500	157,500	157,500
Capacity (students)	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066
Enrollment	813	875	917	956	891	881	946	1,010	1,164	1,159

Number of Schools at June 30, 2023
 Elementary School = 3
 Middle School = 1
 High School = 1

Source: Dover Public School District Facilities Office.

DOVER PUBLIC SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

Undistributed Expenditures - Required Maintenance For School Facilities*

School Facilities*	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Dover High School	\$ 256,491	\$ 259,723	\$ 300,114	\$ 227,549	\$ 247,424	\$ 180,445	\$ 215,664	\$ 292,007	\$ 370,645	\$ 563,275
Academy Street	85,497	84,561	100,038	75,653	82,415	102,252	122,210	165,470	120,209	319,189
Dover Middle School	101,528	163,082	118,795	92,161	97,939	192,475	230,042	311,474	150,261	600,827
East Dover Elementary School									230,401	
North Dover Elementary School	90,841	96,641	106,290	81,925	87,629	126,312	150,965	204,405	130,226	394,293
Total School Facilities	<u>\$ 534,357</u>	<u>\$ 604,007</u>	<u>\$ 625,237</u>	<u>\$ 477,288</u>	<u>\$ 515,406</u>	<u>\$ 601,484</u>	<u>\$ 718,881</u>	<u>\$ 973,355</u>	<u>\$ 1,001,742</u>	<u>\$ 1,877,584</u>

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

Source: Dover Public School District records.

DOVER PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	Coverage	Deductible
School Package Policy – Selective Insurance Company		
Property – Blanket Building & Contents	\$ 105,944,305	\$ 2,500
Artificial Turf	2,840,386	2,500
Fences	92,813	2,500
Computer Coverage	4,365,298	500
Audio Visual	955,000	250
Band Uniform	42,254	250
Musical Instruments	137,749	250
Schedule Equipment	269,914	500
Boiler & Machinery – Property Damage	Included in Blanket Building Limit	
Comprehensive General Liability		
Each Occurrence	1,000,000	
General Aggregate	2,000,000	
Products – Completed Operations	2,000,000	
Personal and Advertising Injury Limit	1,000,000	
Damage to Premises Rented to you	1,000,000	
Comprehensive Auto Liability	1,000,000	
Employee Benefits Liability		
Each Occurrence	1,000,000	1,000
General Aggregate	2,000,000	
Abuse or Molestation		
Each Occurrence	1,000,000	
General Aggregate	2,000,000	
School Board Legal Liability		
Directors & Officers – Per Claim	1,000,000	10,000
Aggregate	2,000,000	
Umbrella Liability – Per Occurrence	10,000,000	
Aggregate	10,000,000	

DOVER PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED
(Continued)

	Coverage	Deductible
Volunteer Accident Policy – QBE Insurance Corporation		
Accidental Death Benefit	\$ 15,000	
Accident Medical Benefits	50,000	
Accidental Dismemberment Benefit	50,000	
Crime Coverage		
Theft of Money and Securities	25,000	\$ 500
Robbery or Safe Burglary of other Property	25,000	500
Money and Securities outside the premises	25,000	500
Coverage applies per location		
Athletic Student Accident – Arch Insurance Group		
Accidental Death	10,000	
Single Dismemberment	25,000	
Double Dismemberment	50,000	
Aggregate Limit of Liability	500,000	
Accident Medical & Dental Max Benefit	25,000	
Catastrophic Coverage – United State Fire Insurance Company		
Maximum Benefit	1,000,000	
Driving School License Bond Selective Insurance		
	10,000	
Blanket Employee Dishonesty Bond Selective Insurance		
	50,000	500
Worker's Compensation - Morris Essex Insurance Group		
Limit of Indemnity Per Occurrence:	Self-Insured up to \$500,000	
(1) Part-One Workers' Compensation - Star Insurance Group		
(2) Part-Two Employer's Liability		
Position Bond – Selective Insurance Company		
Treasurer of School Monies	300,000	
Board Administrator	300,000	

Source: Dover Public School District records.

SINGLE AUDIT SECTION



Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ
973.298.8500
nisivoccia.com
Independent Member
BKR International

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

Independent Auditor's Report

The Honorable President and Members
of the Board of Education
Dover Public School District
County of Morris, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Dover Public School District, in the County of Morris (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 5, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
Dover Public School District
Page 2

Report on Compliance and Other Matters

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

Purpose of this Report

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

February 5, 2024
Mount Arlington, New Jersey

Nisivoccia, LLP

NISIVOCCIA, LLP

Kathryn L. Mantell

Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant



Mount Arlington, NJ
Newton, NJ
Bridgewater, NJ
973.298.8500
nisivoccia.com
Independent Member
BKR International

Report on Compliance For Each Major Federal and State Program;
Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditor's Report

The Honorable President and Members
of the Board of Education
Dover Public School District
County of Morris, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited the Dover Public School District's (the District's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2023. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2023.

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

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

The Honorable President and Members
of the Board of Education
Dover Public School District
Page 2

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis.

The Honorable President and Members
of the Board of Education
Dover Public School District
Page 3

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.

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

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

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

February 5, 2024
Mount Arlington, New Jersey

Nisivoccia, LLP
NISIVOCCIA, LLP

Kathryn L. Mantell
Kathryn L. Mantell
Licensed Public School Accountant #884
Certified Public Accountant

DOVER PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expendi- tures	Adjust- ments	Cancellation of Prior Year Accounts Payable and Encumbrances	Balance at June 30, 2023	
					Budgetary Accounts Receivable	Budgetary Unearned Revenue					Budgetary Accounts Receivable	Budgetary Unearned Revenue
U.S. Department of Agriculture:												
Passed-through State Department of Agriculture:												
Food Service Fund:												
Child Nutrition Cluster:												
Food Distribution Program	10.555	N/A	7/1/22-6/30/23	\$ 58,563	\$	\$ 58,563	\$ (51,326)				\$	7,237
Food Distribution Program	10.555	N/A	7/1/21-6/30/22	122,942	\$ 44		(44)					
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	1,355,773		1,259,520	(1,355,773)				\$ (96,253)	
School Breakfast Program	10.555	N/A	7/1/22-6/30/23	418,615		382,252	(418,615)				(36,363)	
Fresh Fruit and Vegetable	10.582	N/A	7/1/22-6/30/23	89,715		81,895	(89,715)				(7,820)	
Fresh Fruit and Vegetable	10.582	N/A	7/1/21-6/30/22	94,658	\$	8,318						
Summer Food Service Program	10.555	N/A	7/1/22-6/30/23	85,706		79,685	(85,706)				(6,021)	
COVID-19:												
Seamless Summer Option	10.555	N/A	7/1/21-6/30/22	2,367,675	(190,364)	190,364						
Supply Chain Assistance	10.555	N/A	7/1/22-6/30/23	157,757		157,757	(157,757)					
Total Child Nutrition Cluster					(198,682)	44	2,218,354	(2,158,936)			(146,457)	7,237
U.S. Department of Education:												
Local Food for Schools (LFS) Cooperative Program												
Total U.S. Department of Agriculture	10.185	N/A	7/1/22-6/30/23	120		120	(120)				(146,457)	7,237
U.S. Department of Education:												
Special Revenue Fund:												
Passed-through State Department of Education:												
Elementary and Secondary Education Act:												
Title I	84.010	ESEA111023	7/1/22-9/30/23	1,363,871		686,820	(1,277,945)				(591,125)	
Title I	84.010	ESEA111022	7/1/21-9/30/22	1,663,675		782,093	(9)		\$ 2,890		(591,125)	
Total Title I					(784,974)		(1,277,954)					
Title IIA	84.367	ESEA111023	7/1/22-9/30/23	199,919		1,468,913	(1,277,954)				(23,200)	
Title IIA	84.367	ESEA111022	7/1/21-9/30/22	245,421		95,160	(118,360)					
Total Title II					(84,123)		(118,360)					
Title III	84.365	ESEA111023	7/1/22-9/30/23	137,895		171,763	(118,360)				(23,200)	
Title III	84.365	ESEA111022	7/1/21-9/30/22	185,353		74,438	(133,495)				(59,057)	
Total Title III					(184,621)		(184,622)		\$ (1)			
Title III - Immigrant	84.365	ESEA111022	7/1/21-9/30/22	30,806		259,060	(133,495)				(59,057)	
Total Title III - Immigrant					(30,782)		(182)		182			
Title IV	84.424	ESEA111023	7/1/22-9/30/23	13,645		28,750	(13,645)					
Title IV	84.424	ESEA111022	7/1/21-9/30/22	103,914		13,645	(13,645)					
Total Title IV					(90,269)		90,269					
Education Stabilization Fund:												
COVID 19 - CARES Emergency Relief												
COVID 19 - CRRSA:	84.425D	CARES111022	3/13/20-9/30/22	1,263,266	(51,470)	58,602	(7,132)					
ESSER II	84.425D	S425D210027	3/13/20-9/30/23	4,908,104	(2,521,726)	3,912,752	(2,386,840)			6,500	(989,314)	
Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	314,977	(41,049)	188,665	(196,651)				(49,035)	
Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000	(7,844)	11,250	(3,406)					
COVID 19 - ARP:	84.425U	S425U210027	3/13/20-9/30/24	11,030,647	(3,161,680)	5,450,552	(3,842,505)			61,974	(1,491,659)	
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	342,452		85,196	(85,196)					
Learning Acceleration	84.425U	S425U210027	3/13/20-9/30/24	40,000		6,179	(6,651)				(472)	
Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24		(5,783,769)	9,713,196	(6,528,381)			68,474	(2,530,480)	

DOVER PUBLIC SCHOOL DISTRICT
SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2022		Cash Received	Budgetary Expendi- tures	Adjustments	Cancellation of Prior Year Accounts Payable and Encumbrances	Balance at June 30, 2023	
					Budgetary Accounts Receivable	Budgetary Unearned Revenue					Budgetary Accounts Receivable	Budgetary Unearned Revenue
U.S. Department of Education: (Continued)												
Passed-through State Department of Education: (Continued)												
Special Revenue Fund: (Continued)												
Special Education Cluster (IDEA):												
COVID-19 - ARP - I.D.E.A. Part B, Basic	84.027X	IDEA111022	7/1/21-9/30/22	\$ 171,741	\$ (110,918)	\$ 129,236	\$ (20,257)	\$ 1,101	\$ (838)			
I.D.E.A. Part B, Basic	84.027	IDEA111023	7/1/22-9/30/23	1,005,637		744,353	(908,944)					
I.D.E.A. Part B, Basic	84.027	IDEA111022	7/1/21-9/30/22	796,063	(66,752)	66,752						
COVID-19 - ARP - I.D.E.A. Preschool	84.173X	IDEA111022	7/1/21-9/30/22	14,554	(1,347)	2,097	(750)					
I.D.E.A. Preschool	84.173	IDEA111023	7/1/22-9/30/23	21,719	(179,017)	21,719	(21,719)					
Total Special Education Cluster (IDEA)				21,719	(179,017)	964,157	(951,670)			1,101	(165,429)	
Subtotal - Special Revenue Fund					(7,137,555)	12,709,753	(9,023,505)	\$ 181	\$ 81,835		(3,369,291)	
Total U.S. Department of Education					(7,137,555)	12,709,753	(9,023,505)	181	81,835		(3,369,291)	
U.S. Department of Treasury:												
Passed Thru State Department of Education:												
Special Revenue Fund:												
COVID-19 - Additional or Compensatory Special												
Education and Related Services (ACRSERS)	21.027	N/A	7/1/21-6/30/22	202,731	(206,514)	202,731		3,783				
Total U.S. Department of Treasury					(206,514)	202,731		3,783				
U.S. Department of Homeland Security:												
Passed Thru State Department of Law and Public Safety:												
General Fund:												
COVID-19 - FEMA	97.036	1200-100-066-1200	1/20/20-5/11/23	36,126		36,126	(36,126) *					
Total U.S. Department of Homeland Security						36,126	(36,126)					
U.S. Department of Health and Human Services:												
Medicaid Cluster:												
COVID-19 - Family First Coronavirus Response Act	93.778	N/A	7/1/22-6/30/23	16,759		16,759	(16,759)					
Medicaid Assistance Program	93.778	N/A	7/1/22-6/30/23	151,885	(8,289)	151,885	(151,885)					
Medicaid Assistance Program	93.778	N/A	7/1/21-6/30/22	103,525		8,289						
Total U.S. Department of Health and Human Services/Total Medicaid Cluster					(8,289)	176,933	(168,644)					
Total Federal Awards				\$ 44	\$ (7,551,040)	\$ 15,344,017	\$ (11,387,331)	\$ 3,964	\$ 81,835	\$ (3,515,748)	\$ 7,237	\$ -0-
N/A - Not Applicable												
* - Expended in prior year												
										Cancellation of Prior Year:		
										Encumbrances		\$ 80,875
										Accounts Payable		960
												\$ 81,835

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

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards (the “Schedules”) include the federal and state grant activity of the Dover Public School District under programs of the federal and state governments for the fiscal year ended June 30, 2023. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the Borough, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

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

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$832,784) for the general fund and (\$2,425,428) for the special revenue fund (of which \$-0- relates to local grants). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and the special revenue funds.

DOVER PUBLIC SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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

The District’s Food Service Management Company was granted forgiveness on their Paycheck Protection Program (PPP Loan). Schools that participated in the USDA’s National School Lunch Program (NSLP) received a credit for Labor Cost for the period of May 16, 2020 through October 30, 2020. Based on USDA guidance, the PPP forgiven funds of \$132,191 were credited to the District and is included as a federal award in the District’s Food Service Fund but are not to be reported on the Schedules of Expenditures of Federal Awards. Revenue from federal and state awards are reported in the Board’s basic financial statements on a GAAP basis as presented below:

	Federal	State	Total
General Fund	\$ 204,770	\$ 58,287,431	\$ 58,492,201
Special Revenue Fund	11,478,319	5,321,142	16,799,461
Food Service Fund	2,291,247	76,192	2,367,439
Total Awards	\$ 13,974,336	\$ 63,684,765	\$ 77,659,101

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers’ share of social security contributions for TPAF members for the fiscal year ended June 30, 2023.

DOVER PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in *the Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following federal and state awards:

	<u>Assistance Listing / State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Education Stabilization Fund:				
COVID-19 - CARES				
Emergency Relief	84.425D	3/13/20-9/30/22	\$ 1,263,266	\$ 7,132
COVID 19 - CRRSA:				
ESSER II	84.425D	3/13/20-9/30/23	4,908,104	2,386,840
Learning Acceleration	84.425D	3/13/20-9/30/23	314,977	196,651
Mental Health	84.425D	3/13/20-9/30/23	45,000	3,406
COVID 19 - ARP:				
ESSER III	84.425U	3/13/20-9/30/24	11,030,647	3,842,505
Learning Acceleration	84.425U	3/13/20-9/30/24	342,452	85,196
Summer Learning and Enrichment	84.425U	3/13/20-9/30/24	40,000	6,651
<u>State:</u>				
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	41,299,869	41,299,869
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	2,765,706	2,765,706
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	1,433,096	1,433,096

DOVER PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023
(Continued)

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Summary of Auditors' Results: (Cont'd)

- The threshold for distinguishing Type A and Type B federal programs was \$750,000. The threshold for distinguishing Type A and Type B state programs was \$1,634,330.
- The District was determined to be a "low-risk" auditee for federal and state programs.
- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in 2 CFR 200.516(a) of the Uniform Guidance.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in 2 CFR 200.516(a) of the Uniform Guidance and New Jersey's OMB Circular 15-08.

DOVER PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Status of Prior Year Findings:

There were no prior year findings.