

**DUMONT BOROUGH SCHOOL DISTRICT  
BOARD OF EDUCATION**

**Dumont Borough School District  
Board of Education  
Dumont, New Jersey**

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

**Annual Comprehensive  
Financial Report**

**of the**

**Dumont Borough School District  
Board of Education**

**Dumont, New Jersey**

**For the Fiscal Year Ended June 30, 2023**

**Prepared by**

**Dumont Borough School District  
Board of Education**

DUMONT BOROUGH SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2023

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal .....	1
Organizational Chart .....	5
Roster of Officials .....	6
Consultants and Advisors.....	7
 FINANCIAL SECTION.....	 8
Independent Auditors' Report.....	9
Required Supplementary Information.....	12
Management's Discussion and Analysis .....	13
Basic Financial Statements (Sections A and B).....	21
A. District-Wide Financial Statements.....	22
A-1 Statement of Net Position .....	23
A-2 Statement of Activities.....	24
B. Fund Financial Statements.....	26
B-1 Balance Sheet – Governmental Funds.....	27
B-2 Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds.....	29
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	30
B-4 Statement of Net Position – Proprietary Funds.....	31
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds .....	32
B-6 Statement of Cash Flows – Proprietary Funds.....	33
Notes to the Basic Financial Statements.....	34
Required Supplementary Information .....	72
L. Schedules Related to Accounting and Reporting for Pensions and Postemployment Benefits Other than Pensions.....	73
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System.....	73
L-2 Schedule of District Contributions – Public Employees Retirement System .....	74
L-3 Schedule of State's Proportionate Share of the Net Pension Liability Associated with the District – Teachers' Pension and Annuity Fund.....	75
L-4 Schedule of State Contributions – Teachers' Pension and Annuity Fund .....	76
L-5 Schedule of Changes in the State's Proportionate Share of the Total OPEB Liability Associated with the District and Related Ratios.....	77
Notes to Required Supplementary Information .....	78

DUMONT BOROUGH SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

FINANCIAL SECTION (Cont'd)

Other Supplementary Schedules (D.-I.)

C.	Budgetary Comparison Schedules.....	80
C-1	Budgetary Comparison Schedule – General Fund.....	81
C-2	Budgetary Comparison Schedule - Special Revenue Fund.....	91
C-3	Required Supplementary Information - Budgetary Comparison Schedule – Note to RSI.....	92
D.	School Level Schedules (Not Applicable).....	94
E.	Special Revenue Fund.....	95
E-1	Combining Schedule of Program Revenue and Expenditures - Special Revenue Fund – Budgetary Basis.....	96
E-2	Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)	
F.	Capital Projects Fund (Not Applicable).....	99
G.	Proprietary Funds (Enterprise Fund).....	100
G-1	Statement of Net Position.....	101
G-2	Statement of Revenue, Expenses and Changes in Fund Net Position.....	102
G-3	Statement of Cash Flows.....	103
H.	Fiduciary Activities (Not Applicable).....	104
I.	Long-Term Liabilities.....	105
I-1	Schedule of Serial Bonds.....	106
I-2	Statement of Obligations Under Financed Purchases (Not Applicable)	
I-3	Schedule of Obligations Under Leases.....	107
I-4	Schedule of Obligations Under Subscription-Based Information Technology Arrangements (Not Applicable)	
I-5	Debt Service Fund Budgetary Comparison Schedule.....	108

STATISTICAL SECTION

J.	Statistical Section (Unaudited).....	109
J-1	Net Position by Component.....	110
J-2	Changes in Net Position.....	111
J-3	Fund Balances - Governmental Funds.....	113
J-4	Changes in Fund Balances - Governmental Funds.....	114
J-5	General Fund Other Local Revenue by Source.....	116
J-6	Assessed Value and Actual Value of Taxable Property.....	117
J-7	Direct and Overlapping Property Tax Rates.....	118
J-8	Principal Property Taxpayers, Current Year and Nine Years Ago.....	119
J-9	Property Tax Levies and Collections.....	120
J-10	Ratios of Outstanding Debt by Type.....	121
J-11	Ratios of Net General Bonded Debt Outstanding.....	122
J-12	Ratios of Overlapping Governmental Activities Debt.....	123
J-13	Legal Debt Margin Information.....	124

DUMONT BOROUGH SCHOOL DISTRICT  
TABLE OF CONTENTS  
FISCAL YEAR ENDED JUNE 30, 2023  
(Continued)

STATISTICAL SECTION (Cont'd)

J-14	Demographic and Economic Statistics .....	125
J-15	Principal Employers, Current Year and Nine Years Ago .....	126
J-16	Full-time Equivalent District Employees by Function/Program.....	127
J-17	Operating Statistics .....	128
J-18	School Building Information .....	129
J-19	Schedule of Required Maintenance .....	130
J-20	Insurance Schedule .....	131

K. SINGLE AUDIT SECTION..... 132

K-1	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 <i>Government Auditing Standards</i> .....	133
K-2	Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance Required by the Uniform Guidance and NJOMB 15-08.....	135
K-3	Schedule of Expenditures of Federal Awards.....	138
K-4	Schedule of Expenditures of State Awards.....	140
K-5	Notes to the Schedules of Expenditures of Federal and State Awards .....	141
K-6	Schedule of Findings and Questioned Costs.....	143
K-7	Summary Schedule of Prior Audit Findings.....	145

INTRODUCTORY SECTION  
(UNAUDITED)



Kevin Cartotto  
School Business Administrator/Board Secretary

October 14, 2023

The Honorable President and Members of  
the Board of Education  
Dumont Borough School District  
County of Bergen, New Jersey

Dear Board Members:

The annual comprehensive financial report of the Dumont Borough School District (the "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 (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected 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 questioned costs, are included in the single audit section of this report.

#### 1) REPORTING ENTITY AND ITS SERVICES:

Dumont School District is an independent reporting entity within the criteria adopted by the GASB in codification section 2100. All funds of the District are included in the report. The Dumont Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special educational youngsters. The District completed the 2022-2023 fiscal year with an enrollment of 2,555 students, which is 72 students more than the previous year's enrollment.

2) ECONOMIC CONDITION AND OUTLOOK:

Approximately 7 acres of farm property has been developed as a high density residential housing complex. The Borough of Dumont has entered into a payment in lieu of taxes agreement with the developer.

3) MAJOR INITIATIVES:

The district is enhancing the educational program through the implementation of Soliday Essentials grades K-2. Teachers and students will be using the Soliday System Essentials phonics program to enhance language arts instruction during this school year. The Soliday System is based on the Orton-Gillingham Approach to teaching students how to read and spell. This program provides in-depth instruction about the structure of the English language, which helps students unlock the reading code.

New course offerings at the high school will include Structured Learning Experience which is a Work Study Program that offers a pathway to prepare students to meet the demands of the workforce while earning 15 credits toward graduation. Anatomy and Physiology is a Science elective that teaches students about the structure and function of the human body, as well as the diagnosis and treatment of diseases and injuries. Overall, this class provides students with an opportunity to gain a deeper understanding of the human body and how it works, and is a solid foundation for anyone interested in a career in the medical field.

The district is also continuing to support the use of Google Classroom in grades K-12. The district is also continuing its contract with Educere Homebound Instructional Services as an extension of online offerings to students, and will renew an agreement with Care Plus to continue to provide another layer of counseling with an emphasis on those students in need of intensive behavioral supports, conduct screenings, and provide evidence-based counseling groups for all students. Staff will continue to receive training on the importance of SocialEmotional learning (SEL) and how to integrate SEL standards into the instructional program.

The district continues to invest in capital improvements of the facilities and is in the process of planning and completing a district wide HVAC replacement project over the course of the next two years.

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 system should not exceed the benefits likely to be derived; and (2) the valuation of the costs and benefits requires estimates and judgments by management.

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



5) BUDGETARY CONTROLS:

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

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

6) ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.

7) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

8) RISK MANAGEMENT:

The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District oversees its own risk management. A schedule of insurance coverage is found on J-20.

9) OTHER INFORMATION:

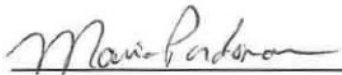
Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed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

The Honorable President and Members of  
the Board of Education  
Dumont Borough School District  
Page 4  
October 14, 2023

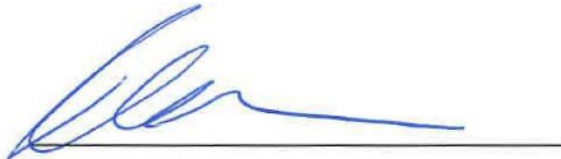
10) ACKNOWLEDGMENTS:

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

Respectfully submitted,

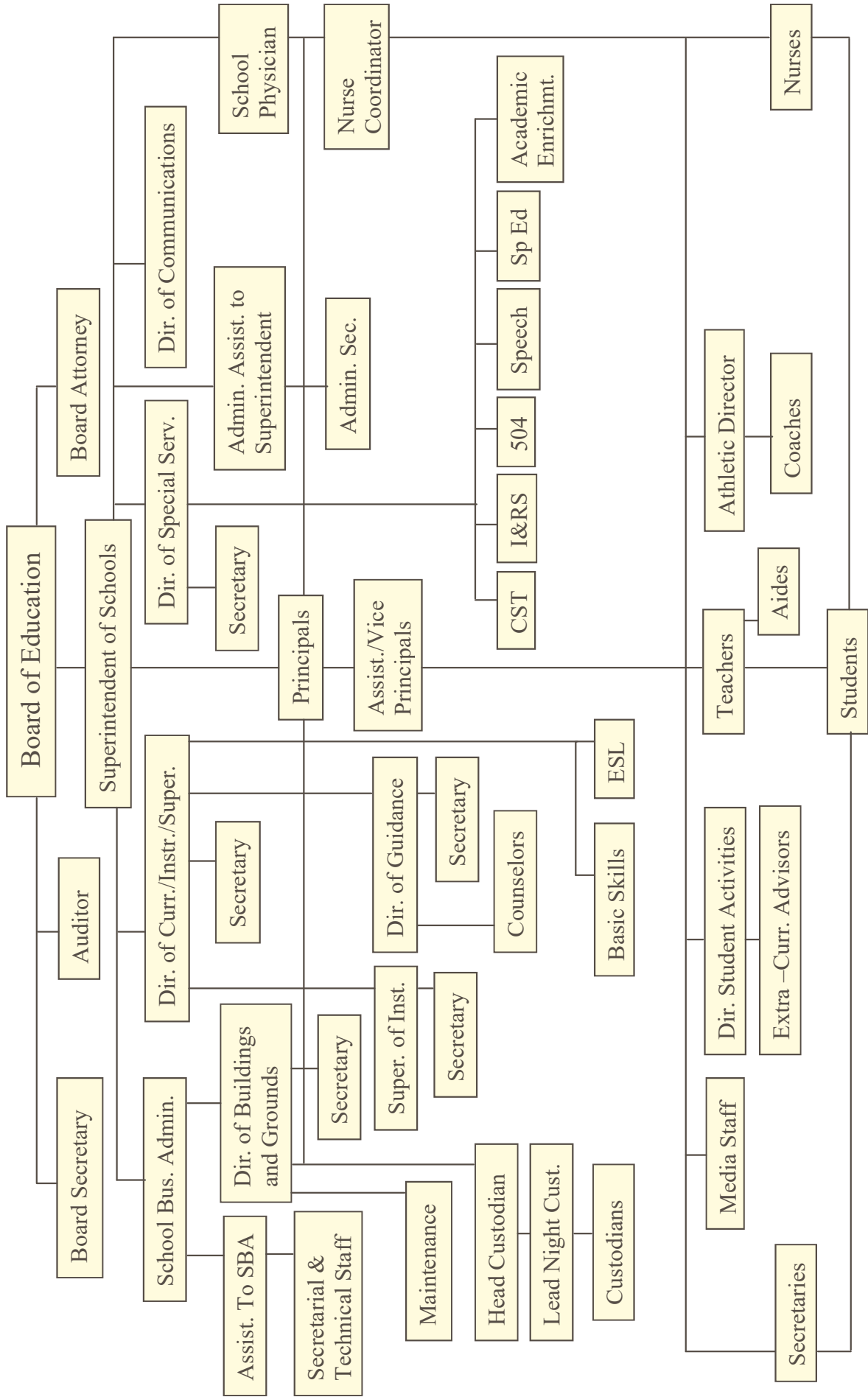


Dr. Maria Poidomani  
Superintendent of Schools



Kevin Cartotto  
Board Secretary/Business Administrator

# Organization Chart-Dumont Public School District



**DUMONT BOROUGH SCHOOL DISTRICT  
ROSTER OF OFFICIALS  
JUNE 30, 2023**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Mrs. Theresa Riva, President	2023
Dr. Jeffrey Pollack, Vice President	2025
Mrs. Karen Valido	2024
Mr. Robert DeWald	2025
Mrs. Janice Worner	2023
Mr. Timothy Grob	2023
Mr. Scott Miller	2024
Mrs. Kelly DeCongelio	2024
Mrs. Emily Waver	2025

<u>Other Officers</u>	<u>Title</u>
Dr. Maria Poidomani	Superintendent
Mr. Kevin Cartotto	Board Secretary/School Business Administrator

**DUMONT BOROUGH SCHOOL DISTRICT**  
Consultants and Advisors

**Audit Firm**

Nisivoccia LLP, CPAs  
Mount Arlington Corporate Center  
200 Valley Road Suite 300  
Mount Arlington, NJ 07856-1320

**Architect/Engineer**

Environectics Group Architects, PC  
180 Sylvan Avenue  
Englewood Cliffs, NJ 07632

**Attorney**

James L. Plosia, Jr.  
Plosia Cohen Law Firm  
385 Route 24, Suite 3G  
Chester, NJ 07930

**Bond Counsel**

Steven Rogut, Esq.  
Rogut, McCarthy & Troy LLC  
37 Alden Street  
Cranford, NJ 07016

**Official Depository**

Capital One Bank  
710 Route 46  
Fairfield, NJ 07004

FINANCIAL SECTION

## Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Dumont Borough School District  
County of Bergen, 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 Dumont Borough School District (the “District”), in the County of Bergen, 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 October 14, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Mount Arlington, New Jersey  
October 14, 2023

NISIVOCIA LLP

  
\_\_\_\_\_  
Andrew Kucinski  
Licensed Public School Accountant #2684  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Dumont Borough School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

This section of Dumont Borough 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.

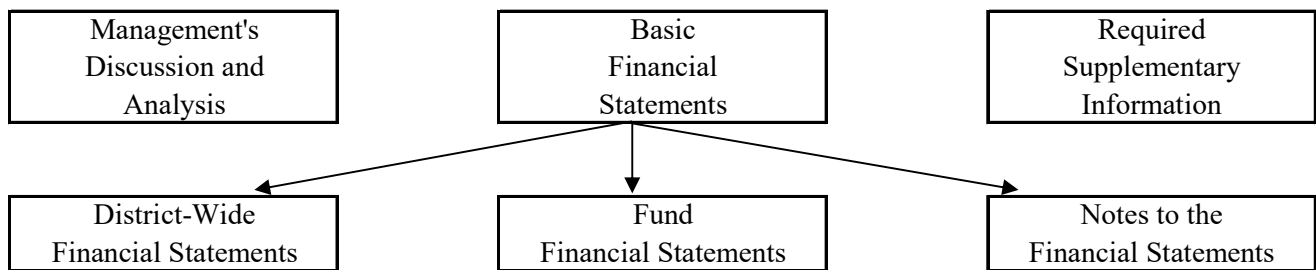
**Overview of the Financial Statements**

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**



**Dumont Borough School District  
Management’s Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

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.

**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	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenue, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of net position</li> <li>• Statement of revenue, expenses, and changes in net position</li> <li>• Statement of cash flows</li> </ul>
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

**Dumont Borough 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, tuition 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 program 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.

**Dumont Borough School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

**Fund Financial Statements**

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

**Figure A-3**

**Condensed Statement of Net Position**

	Government Activities		Business-Type Activities		Total School District		Percentage Change 2022/23
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	
Current and							
Other Assets	\$ 15,531,895	\$ 15,805,812	\$ 832,584	\$ 744,059	\$ 16,364,479	\$ 16,549,871	
Capital Assets, Net	8,312,979	8,466,035	26,883	28,249	8,339,862	8,494,284	
Lease Assets, Net		8,785				8,785	
Total Assets	<u>23,844,874</u>	<u>24,280,632</u>	<u>859,467</u>	<u>772,308</u>	<u>24,704,341</u>	<u>25,052,940</u>	-1.39%
Deferred Outflows of Resources	<u>1,146,274</u>	<u>938,161</u>			<u>1,146,274</u>	<u>938,161</u>	22.18%
Other Liabilities	1,635,368	1,551,871	131,507	84,428	1,766,875	1,636,299	
Long-Term Liabilities	<u>10,580,064</u>	<u>10,563,714</u>			<u>10,580,064</u>	<u>10,563,714</u>	
Total Liabilities	<u>12,215,432</u>	<u>12,115,585</u>	<u>131,507</u>	<u>84,428</u>	<u>12,346,939</u>	<u>12,200,013</u>	1.19%
Deferred Inflows of Resources	<u>1,277,730</u>	<u>3,682,380</u>			<u>1,277,730</u>	<u>3,682,380</u>	-188.20%
Net Position:							
Net Investment in							
Capital Assets	5,892,979	4,690,687	26,883	28,249	5,919,862	4,718,936	
Restricted	10,481,075	9,897,634			10,481,075	9,897,634	
Unrestricted/(Deficit)	<u>(4,876,068)</u>	<u>(5,167,493)</u>	<u>701,077</u>	<u>659,631</u>	<u>(4,174,991)</u>	<u>(4,507,862)</u>	
Total Net Position	<u>\$ 11,497,986</u>	<u>\$ 9,420,828</u>	<u>\$ 727,960</u>	<u>\$ 687,880</u>	<u>\$ 12,225,946</u>	<u>\$ 10,108,708</u>	20.94%

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

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

**Dumont Borough 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 2022/23	Business- Type Activities 2022/23	Governmental Activities 2021/22	Business- Type Activities 2021/22	Total School District 2022/23	Total School District 2021/22	Percentage Change 2022/23
<b>Revenue:</b>							
<b>Program Revenue:</b>							
Charges for Services	\$ 564,650	\$ 398,879	\$ 424,705		\$ 963,529	\$ 424,705	
Operating Grants and Contributions	11,616,490	259,836	16,062,318	\$ 1,009,495	\$ 11,876,326	17,071,813	
<b>General Revenue:</b>							
Property Taxes	38,495,099		38,543,346		38,495,099	38,543,346	
Unrestricted State and Federal Aid	8,903,479		7,659,371		8,903,479	7,659,371	
Other	415,560	12,159	296,655	433	427,719	297,088	
<b>Total Revenue</b>	<b>59,995,278</b>	<b>670,874</b>	<b>62,986,395</b>	<b>1,009,928</b>	<b>60,666,152</b>	<b>63,996,323</b>	<b>-5.20%</b>
<b>Expenses:</b>							
Instruction	32,301,125		34,072,064		32,301,125	34,072,064	
Pupil and Instruction Services	12,629,960		11,660,123		12,629,960	11,660,123	
Administrative and Business	5,535,026		6,026,389		5,535,026	6,026,389	
Maintenance and Operations	4,999,596		4,934,427		4,999,596	4,934,427	
Transportation	1,435,175		900,552		1,435,175	900,552	
Capital Outlay	984,470		225,844		984,470	225,844	
Other	32,768	630,794	58,149	654,948	663,562	713,097	
<b>Total Expenses</b>	<b>57,918,120</b>	<b>630,794</b>	<b>57,877,548</b>	<b>654,948</b>	<b>58,548,914</b>	<b>58,532,496</b>	<b>0.03%</b>
<b>Increase/(Decrease) in Net Position</b>	<b>\$ 2,077,158</b>	<b>\$ 40,080</b>	<b>\$ 5,108,847</b>	<b>\$ 354,980</b>	<b>\$ 2,117,238</b>	<b>\$ 5,463,827</b>	<b>-61.25%</b>

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District improved significantly. However, maintaining existing programs and the provision of special programs and services for disabled pupils, combined with rising salary and benefit costs, school security, out of district tuition and, state mandates on testing place great demands on the District's resources.

Careful management of expenses and increases in revenues remains essential for the District to sustain its financial health. The District continues to receive the benefit of cost saving measures from the past few years, especially the energy conservation measures.

It is crucial that the District examine its expenses carefully. Staff, parental and student demands for salary increases, activities, small class sizes and programs must be evaluated thoroughly. District resources are at their tightest level in a decade. 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. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs).

**Dumont Borough School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

**Figure A-5**

	<b>Net Cost of Governmental Activities</b>			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	<u>2022/23</u>	<u>2022/23</u>	<u>2021/22</u>	<u>2021/22</u>
Instruction	\$ 32,301,125	\$ 23,507,790	\$ 34,072,064	\$ 20,753,307
Pupil and Instruction Services	12,629,960	10,075,455	11,660,123	9,793,293
Administrative and Business	5,535,026	4,923,945	6,026,389	4,947,674
Maintenance and Operations	4,999,596	4,999,596	4,934,427	4,934,427
Transportation	1,435,175	1,212,956	900,552	677,831
Capital Outlay	984,470	984,470	225,844	225,844
Other	32,768	32,768	58,149	58,149
	<u>\$ 57,918,120</u>	<u>\$ 45,736,980</u>	<u>\$ 57,877,548</u>	<u>\$ 41,390,525</u>

**Business-Type Activities**

Net position from the District's business-type activity increased by \$40,080. (Refer to Figure A-4). The primary factor contributing to this result was revenues exceeding expenses in the Food Service Fund due to a decrease in the food service management company cost caused by a large reduction in the number of meals provided, as the Seamless Summer Option meal program was no longer available.

**Financial Analysis of the District's Funds**

The District's financial position increased significantly on a fund basis primarily due to unexpended budget appropriations.

A major concern for the community is that the burden of the rising cost of education is focused on taxpayers to support their local schools. Despite these concerns, the Dumont Borough School District is committed to maintaining fiscal responsibility as well as achieving educational excellence for all the students of the District.

To maintain a stable financial position, the District must continue to practice sound fiscal management, including efficiency/cost containment practices, evaluation of services and programs and seeking additional sources of revenue.

**General Fund Budgetary Highlights**

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



**Dumont Borough School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

**Capital Asset and Long-Term Liabilities**

**Figure A-6**

	<b>Capital Assets (Net of Depreciation)</b>						<b>Percentage Change 2022/23</b>
	<b>Government Activities</b>		<b>Business-Type Activities</b>		<b>Total School District</b>		
	<u>2022/23</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2021/22</u>	
Sites and Site							
Improvements	\$ 2,118,755	\$ 2,007,496			\$ 2,118,755	\$ 2,007,496	
Buildings and Building							
Improvements	13,406,392	13,406,392			13,406,392	13,406,392	
Machinery and Equipment	2,065,215	2,058,901	\$ 109,338	\$ 100,569	2,174,553	2,159,470	
Accumulated							
Depreciation	<u>(9,277,383)</u>	<u>(9,006,754)</u>	<u>(82,455)</u>	<u>(72,320)</u>	<u>(9,359,838)</u>	<u>(9,079,074)</u>	
<b>Total</b>	<u><u>\$ 8,312,979</u></u>	<u><u>\$ 8,466,035</u></u>	<u><u>\$ 26,883</u></u>	<u><u>\$ 28,249</u></u>	<u><u>\$ 8,339,862</u></u>	<u><u>\$ 8,494,284</u></u>	-1.82%

The District had \$117,573 in capital asset additions for governmental activities and \$8,769 in capital asset additions for business activities offset by depreciation expense of \$270,629 for governmental activities and \$10,135 for business-type activities in the current fiscal year.

***Long-term Liabilities***

**Figure A-7**

	<b>Outstanding Long-Term Liabilities</b>		<b>Percentage Change 2021/22</b>
	<b>Total School District</b>		
	<u>2022/23</u>	<u>2021/22</u>	
General Obligation Bonds (Financed with Property Taxes)	\$ 2,420,000	\$ 3,775,000	
Net Pension Liability	6,884,374	5,438,501	
Leases Payable		9,133	
Compensated Absences Payable	<u>1,275,690</u>	<u>1,341,080</u>	
	<u><u>\$ 10,580,064</u></u>	<u><u>\$ 10,563,714</u></u>	0.15%

At year-end, the District had \$2,420,000 in general obligation bonds outstanding – a reduction of \$1,355,000 from last year – as shown in Figure A-7. (More detailed information about the District's long-term liabilities is presented in Note 9 to the Basic Financial Statements.)

**Dumont Borough School District  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2023**

**Factors Bearing on the District's Future Revenue/Expense Changes**

The District is concerned with a potential 15% or greater increase in the health insurance premiums for the New Jersey State Employee Health Benefits Fund.

The District is concerned of the impact of both inflation and the supply-chain issues will have on the costs of goods and services.

The District is concerned with the increase in the cost of contracted transportation services.

**Contacting the District's Financial Management**

The financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the Districts' finances and to demonstrate the District's accountability for the money it receives. If you have questions about his report or need additional financial information, please contact the School Business Administrator, Kevin Cartotto, 25 Depew Street, Dumont, NJ 07628, (201)387-3070 or [ecartotto@dumontnj.org](mailto:ecartotto@dumontnj.org).

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

DUMONT BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 5,194,879	\$ 539,049	\$ 5,733,928
Internal Balances	(195,093)	195,093	
Receivables from State Government	1,068,253	1,230	1,069,483
Receivables from Federal Government	446,286	27,566	473,852
Other Receivables	86,009	58,688	144,697
Inventories		10,958	10,958
Restricted Cash and Cash Equivalents	8,931,561		8,931,561
Capital Assets, Net:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	8,312,979	26,883	8,339,862
Total Assets	<u>23,844,874</u>	<u>859,467</u>	<u>24,704,341</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows Related to Pensions	1,146,274		1,146,274
Total Deferred Outflows of Resources	<u>1,146,274</u>		<u>1,146,274</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,551,601	38,213	1,589,814
Accrued Interest Payable	35,937		35,937
Unearned Revenue	47,830	93,294	141,124
Noncurrent Liabilities:			
Due Within One Year	1,452,988		1,452,988
Due Beyond One Year	9,127,076		9,127,076
Total Liabilities	<u>12,215,432</u>	<u>131,507</u>	<u>12,346,939</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	1,277,730		1,277,730
Total Deferred Inflows of Resources	<u>1,277,730</u>		<u>1,277,730</u>
<u>NET POSITION/(DEFICIT)</u>			
Net Investment in Capital Assets	5,892,979	26,883	5,919,862
Restricted - Non-expendable Permanent Endowment Fund	1,000,000		1,000,000
Restricted for:			
Capital Projects	7,072,209		7,072,209
Excess Surplus	1,534,192		1,534,192
Unemployment Compensation	580,178		580,178
Student Activities	277,311		277,311
Scholarships	17,185		17,185
Unrestricted/(Deficit)	(4,876,068)	701,077	(4,174,991)
Total Net Position	<u>\$ 11,497,986</u>	<u>\$ 727,960</u>	<u>\$ 12,225,946</u>

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

DUMONT BOROUGH 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	\$ 25,260,990		\$ 4,891,856	\$ (20,369,134)		\$ (20,369,134)
Special Education	4,009,096		3,480,186	(528,910)		(528,910)
Other Special Instruction	2,176,481		421,293	(1,755,188)		(1,755,188)
School Sponsored/Other Instruction	854,558			(854,558)		(854,558)
Support Services:						
Tuition	7,036,755		511,336	(6,525,419)		(6,525,419)
Student and Instruction Related Services	5,593,205	\$ 564,650	1,478,519	(3,550,036)		(3,550,036)
General Administrative Services	831,174		94,760	(736,414)		(736,414)
School Administrative Services	3,500,301		393,171	(3,107,130)		(3,107,130)
Central Services	684,734		123,150	(561,584)		(561,584)
Administrative Information Technology	518,817			(518,817)		(518,817)
Plant Operations and Maintenance	4,999,596			(4,999,596)		(4,999,596)
Pupil Transportation	1,435,175		222,219	(1,212,956)		(1,212,956)
Transfer of Funds to Charter School	32,768			(32,768)		(32,768)
Interest on Long-Term Debt	242,420			(242,420)		(242,420)
Capital Outlay	742,050			(742,050)		(742,050)
Total Governmental Activities	57,918,120	564,650	11,616,490	(45,736,980)		(45,736,980)
Business-Type Activities:						
Food Service	630,794	398,879	259,836		\$ 27,921	27,921
Total Business-Type Activities	630,794	398,879	259,836		27,921	27,921
Total Primary Government	\$ 58,548,914	\$ 963,529	\$ 11,876,326	(45,736,980)	27,921	(45,709,059)

DUMONT BOROUGH SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 37,015,652		\$ 37,015,652
Taxes Levied for Debt Service	1,479,447		1,479,447
Federal, State and Local Aid not Restricted	8,903,479		8,903,479
Interest Earnings	131,074	\$ 12,159	143,233
Restricted Miscellaneous Revenue	26,733		26,733
Unrestricted Miscellaneous Income	257,753		257,753
<b>Total General Revenues</b>	<b>47,814,138</b>	<b>12,159</b>	<b>47,826,297</b>
<b>Change in Net Position</b>	<b>2,077,158</b>	<b>40,080</b>	<b>2,117,238</b>
<b>Net Position - Beginning</b>	<b>9,420,828</b>	<b>687,880</b>	<b>10,108,708</b>
<b>Net Position - Ending</b>	<b>\$ 11,497,986</b>	<b>\$ 727,960</b>	<b>\$ 12,225,946</b>

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

FUND FINANCIAL STATEMENTS



DUMONT BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General Fund	Special Revenue Fund	Permanent Fund	Total Governmental Funds
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 5,194,879			\$ 5,194,879
Interfund Receivable	433,280			433,280
Receivables From State Government	1,068,253			1,068,253
Receivables From Federal Government		\$ 446,286		446,286
Other Accounts Receivables	70,687		\$ 15,322	86,009
Restricted Cash and Cash Equivalents	7,652,387	280,751	998,423	8,931,561
<b>Total Assets</b>	<b>\$ 14,419,486</b>	<b>\$ 727,037</b>	<b>\$ 1,013,745</b>	<b>\$ 16,160,268</b>
<b>LIABILITIES AND FUND BALANCES:</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 936,101			\$ 936,101
Interfund Payable	195,093	\$ 433,280		628,373
Unearned Revenue	34,824	13,006		47,830
<b>Total Liabilities</b>	<b>1,166,018</b>	<b>446,286</b>		<b>1,612,304</b>
<b>Fund Balances:</b>				
<b>Nonspendable:</b>				
Permanent Fund Principal			\$ 1,000,000	1,000,000
<b>Restricted for:</b>				
Capital Reserve	7,072,209			7,072,209
Excess Surplus - 2023-2024	336,131			336,131
Excess Surplus - 2024-2025	1,198,061			1,198,061
Unemployment Compensation	580,178			580,178
Student Activities		277,311		277,311
Scholarships		3,440	13,745	17,185
<b>Assigned:</b>				
Encumbrances	2,493,144			2,493,144
Designated For Subsequent Year's Expenditures	913,869			913,869
Unassigned	659,876			659,876
<b>Total Fund Balances</b>	<b>13,253,468</b>	<b>280,751</b>	<b>1,013,745</b>	<b>14,547,964</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 14,419,486</b>	<b>\$ 727,037</b>	<b>\$ 1,013,745</b>	<b>\$ 16,160,268</b>

DUMONT BOROUGH SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

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

Total Fund Balances (above)	\$ 14,547,964
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds.	8,312,979
Long-term liabilities, including the Net Pension Liability for PERS, Bonds Payable, Leases Payable, and Compensated Absence Payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(10,580,064)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(35,937)
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.	<u>(746,956)</u>
Net Position of Governmental Activities (Exhibit A-1)	<u><u>\$ 11,497,986</u></u>

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

DUMONT BOROUGH 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	Permanent Fund	Total Governmental Funds
<b>REVENUES</b>					
Local Sources:					
Local Tax Levy	\$ 37,015,652		\$ 1,479,447		\$ 38,495,099
Interest Earned on Capital Reserve Funds	131,074				131,074
Restricted Miscellaneous Revenue	26,037	\$ 564,650		\$ 696	591,383
Miscellaneous	257,753				257,753
Total - Local Sources	37,430,516	564,650	1,479,447	696	39,475,309
State Sources	23,328,386	83,289	57,848		23,469,523
Federal Sources	48,126	1,890,852			1,938,978
Total Revenues	60,807,028	2,538,791	1,537,295	696	64,883,810
<b>EXPENDITURES:</b>					
Current:					
Regular Instruction	16,774,637	359,247			17,133,884
Special Education Instruction	2,901,598	12,000			2,913,598
Other Special Instruction	1,435,175				1,435,175
School Sponsored/Other Instruction	778,807				778,807
Support Services and Undistributed Costs:					
Tuition	6,525,419	511,336			7,036,755
Student & Instruction Related Services	3,652,134	992,057		13,484	4,657,675
General Administrative Services	655,324				655,324
School Administrative Services	2,799,756				2,799,756
Central Services	467,666				467,666
Administration Information Technology	479,674				479,674
Plant Operations and Maintenance	4,748,100				4,748,100
Pupil Transportation	1,370,365				1,370,365
Unallocated Benefits	18,320,393				18,320,393
Debt Service:					
Principal			1,355,000		1,355,000
Interest and Other Charges			182,295		182,295
Capital Outlay	186,245	642,513			828,758
Transfer of Funds to Charter Schools	32,768				32,768
Total Expenditures	61,128,061	2,517,153	1,537,295	13,484	65,195,993
Net Change in Fund Balances	(321,033)	21,638		(12,788)	(312,183)
Fund Balance—July 1	13,574,501	259,113		1,026,533	14,860,147
Fund Balance—June 30	\$ 13,253,468	\$ 280,751	\$ -0-	\$ 1,013,745	\$ 14,547,964

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

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

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)		\$ (312,183)
Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:		
Capital outlays related to capital assets are reported in the Governmental Funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense	\$ (270,629)	
Capital Asset Additions	<u>117,573</u>	(153,056)
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		(8,785)
Repayment of debt service principal and other long-term obligation liabilities 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.		
		1,355,000
In the Statement of Activities, interest on long-term debt is accrued regardless of when it is due. In the Governmental Funds, interest is reported when due.		
		20,269
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.		
		9,133
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		(1,445,873)
Changes in Deferred Outflows and Inflows Related to Pensions		2,547,263
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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		
		<u>65,390</u>
Change in Net Position of Governmental Activities (Exhibit A-2)		<u>\$ 2,077,158</u>

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

DUMONT BOROUGH SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023

	<u>Business-Type Activity Enterprise Funds</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 539,049
Interfund Receivable	195,093
Intergovernmental Accounts Receivable:	
State	1,230
Federal	27,566
Other Accounts Receivable	58,688
Inventories	10,958
	832,584
Total Current Assets	
Non-Current Assets:	
Capital Assets	109,338
Less: Accumulated Depreciation	(82,455)
	26,883
Total Non-Current Assets	
	859,467
Total Assets	
<b>LIABILITIES:</b>	
Current Liabilities:	
Accounts Payable	38,213
Unearned Revenue - Donated Commodities	1,324
Unearned Revenue - Prepaid Sales	18,042
Unearned Revenue - Supply Chain Assistance	73,928
	131,507
Total Current Liabilities	
<b>NET POSITION:</b>	
Investment in Capital Assets	26,883
Unrestricted	701,077
	727,960
Total Net Position	\$ 727,960

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

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

	<u>Business-Type Activity Enterprise Funds</u>
Operating Revenue:	
Daily Sales:	
Reimbursable Programs	\$ 252,455
Non-Reimbursable Programs	139,411
Miscellaneous Revenue	<u>7,013</u>
Total Operating Revenue	<u>398,879</u>
Operating Expenses:	
Cost of Sales:	
Reimbursable Programs	185,868
Non-Reimbursable Programs	79,658
Salaries	206,927
Employee Benefits	61,671
Other Purchased Services	53,939
Supplies and Materials	14,646
Management Fee	17,951
Depreciation Expense	<u>10,134</u>
Total Operating Expenses	<u>630,794</u>
Operating (Loss)	<u>(231,915)</u>
Non-Operating Revenue:	
Local Sources:	
Interest Income	12,159
State Sources:	
State School Lunch Program	6,564
Federal Sources:	
National School Lunch Program	144,790
Food Distribution Program	24,564
Other Nutrition Programs -	
Supply Chain Assistance	51,165
Paycheck Protection Program Reimbursement	<u>32,753</u>
Total Non-Operating Revenue	<u>271,995</u>
Change in Net Position	40,080
Net Position - Beginning of Year	<u>687,880</u>
Net Position - End of Year	<u><u>\$ 727,960</u></u>

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

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

	<u>Business-Type Activity Enterprise Funds</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 342,580
Payments to Food Service Company	(611,245)
Net Cash Used for Operating Activities	<u>(268,665)</u>
Cash flows from Financing Activities:	
Interest Income	12,159
Net Cash Provided by Financing Activities	<u>12,159</u>
Cash flows from Capital and Related Financing Activities:	
Purchase of Capital Assets	(8,769)
Net Cash Used for Capital and Related Financing Activities	<u>(8,769)</u>
Cash Flows from Noncapital Financing Activities:	
Interfund Returned - General Fund	222,446
State Sources	7,563
Federal Sources	339,138
Net Cash Provided by Noncapital Financing Activities	<u>569,147</u>
Net Increase in Cash and Cash Equivalents	303,872
Cash and Cash Equivalents, July 1	<u>235,177</u>
Cash and Cash Equivalents, June 30	<u>\$ 539,049</u>
Reconciliation of Operating Loss to Net Cash	
Used for Operating Activities:	
Adjustment to Reconcile Operating Loss to Net Cash	
Used for Operating Activities:	
Operating Loss	\$ (231,915)
Depreciation	10,134
Food Distribution Program	24,564
Changes in Assets and Liabilities:	
(Increase) in Other Accounts Receivable	(52,607)
(Decrease) in Accounts Payable	(23,156)
(Decrease) in Unearned Revenue - Donated Commodities	(538)
(Decrease) in Unearned Revenue - Prepaid Sales	(3,154)
Decrease in Inventory	8,007
Net Cash Used for Operating Activities	<u>\$ (268,665)</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 \$24,026 and utilized U.S.D.A. Commodities valued at \$24,564.

DUMONT BOROUGH 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 Dumont Borough 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.



DUMONT BOROUGH 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 noninstructional equipment which are classified in the capital outlay subfund. These resources can be transferred from and to current expenses by board resolution.

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

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 or lease assets or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

DUMONT BOROUGH 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)

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.

Permanent Fund: The Permanent Fund is used to account for an endowment which was given to the District. The principal amount is permanently restricted and may not be comingled with any other funds. Any income earned on the principal is to be used solely for post high school scholarships.

The District reports the following proprietary fund:

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

C. Measurement Focus and Basis of Accounting

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

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

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.

DUMONT BOROUGH 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

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 60,948,926	\$ 2,534,698
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		(25,203)
Prior Year Encumbrances		29,296
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	934,401	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,076,299)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 60,807,028</u>	<u>\$ 2,538,791</u>

DUMONT BOROUGH 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:  
(Cont'd)

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 61,128,061	\$ 2,513,060
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		(25,203)
Prior Year Encumbrances		29,296
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 61,128,061	\$ 2,517,153

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.

DUMONT BOROUGH 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 (Cont'd)

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 sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

DUMONT BOROUGH 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)

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 years
Site Improvements	20 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.

DUMONT BOROUGH 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)

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 are 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 government 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.

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. Unearned Revenue

Unearned revenue in the special revenue and the enterprise funds represent cash which has been received but not yet earned.

DUMONT BOROUGH 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)

S. Subscription Payable

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

T. Fund Balance Appropriated

General Fund: Of the \$13,253,468 General Fund fund balance at June 30, 2023, \$2,493,144 is assigned for encumbrances; \$913,869 is designated for subsequent year's expenditures; \$7,072,209 is restricted in the capital reserve account; \$336,131 is restricted for prior fiscal year excess surplus in accordance with N.J.S.A. 18A:7F-7 (S1701) and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2024; \$1,198,061 is restricted for current fiscal year excess surplus in accordance with N.J.S.A.18A:7F (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2025; \$580,178 is restricted for unemployment compensation; and \$659,876 is unassigned fund balance, which is \$1,076,299 less than the budgetary unassigned fund balance, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2024.

Special Revenue Fund: Of the \$280,751 Special Revenue Fund fund balance at June 30, 2023, \$277,311 is restricted for student activities, and \$3,440 is restricted for scholarships.

Permanent Fund: Of the \$1,013,745 fund balance in the Permanent Fund at June 30, 2023, \$1,000,000 is nonspendable Permanent Fund Principal, and \$13,745 is restricted for Scholarships.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (s1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund 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 excess surplus at June 30, 2023 as indicated above.

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

The District has a deficit in unrestricted net position of \$4,876,068 in its governmental activities, which is primarily due to deferred inflows, outflows and liabilities related to pensions. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.



DUMONT BOROUGH 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)

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 inflows and outflows related to pensions at June 30, 2023.

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.

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, excess surplus, 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 has 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 encumbrances and for amounts designated for subsequent year's expenditures in the General Fund at June 30, 2023.

DUMONT BOROUGH 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)

X. Revenue - Exchange and Nonexchange 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.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Y. Operating Revenue and Expenses:

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

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

(Continued)

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

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 is included in the Investment sections for this note.

Custodial Credit Risk - The District's policy with respect to custodial credit risk requires that the District ensures 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 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.

DUMONT BOROUGH 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:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located;
- (5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law", P.L. 1983, c.313 (C.40A:5A-1 et seq.). Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by local units;
- (6) Local government investment pools;
- (7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); or
- (8) Agreements for the repurchase of fully collateralized securities if:
  - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a. or are bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the requirements of the "Local Authorities Fiscal Control Law," P.L. 1983, c. 313 (C.40A:5A-1 et seq.);
  - (b) the custody of collateral is transferred to a third party;
  - (c) the maturity of the agreement is not more than 30 days;
  - (d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41); and
  - (e) a master repurchase agreement providing for the custody and security of collateral is executed; or

DUMONT BOROUGH 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)

- (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.

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

	<u>Restricted Cash and Cash Equivalents</u>						Total
	<u>Cash and Cash Equivalents</u>	<u>Capital Reserve Account</u>	<u>Permanent Fund</u>	<u>Unemployment Compensation Account</u>	<u>Student Activities Account</u>	<u>Scholarships Account</u>	
Checking Accounts	\$ 5,733,928	\$ 7,072,209	\$ 998,423	\$ 580,178	\$ 277,311	\$ 3,440	\$ 14,665,489
	<u>\$ 5,733,928</u>	<u>\$ 7,072,209</u>	<u>\$ 998,423</u>	<u>\$ 580,178</u>	<u>\$ 277,311</u>	<u>\$ 3,440</u>	<u>\$ 14,665,489</u>

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 \$14,665,489 and the bank balance was \$15,989,315.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Dumont Township Board of Education 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 fiscal year-end of any unanticipated revenue or unexpended line-item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections

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

(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-5.1(d)7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Beginning Balance, July 1, 2022	\$ 7,299,075
Add: Transfer from Unassigned Fund Balance as per Board Resolution	661,395
Budgeted Increase	500,000
Interest Earnings	131,074
Less: Budgeted Withdrawals	(180,402)
Transfer as per Board Resolution	<u>(1,338,933)</u>
Ending Balance, June 30, 2023	<u>\$ 7,072,209</u>

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. The withdrawals from the capital reserve were for use in DOE approved facilities projects consistent with the District's LRFP.

NOTE 5. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets Being Depreciated:				
Site Improvements	\$ 2,007,496	\$ 111,259		\$ 2,118,755
Buildings and Building Improvements	13,406,392			13,406,392
Machinery and Equipment	2,058,901	6,314		2,065,215
Total Capital Assets Being Depreciated	<u>17,472,789</u>	<u>117,573</u>		<u>17,590,362</u>
Governmental Activities Capital Assets	<u>17,472,789</u>	<u>117,573</u>		<u>17,590,362</u>
Less Accumulated Depreciation	<u>(9,006,754)</u>	<u>(270,629)</u>		<u>(9,277,383)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 8,466,035</u>	<u>\$ (153,056)</u>	<u>\$ -0-</u>	<u>\$ 8,312,979</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 100,569	\$ 8,769		\$ 109,338
Less Accumulated Depreciation for:				
Machinery and Equipment	<u>(72,320)</u>	<u>(10,135)</u>		<u>(82,455)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 28,249</u>	<u>\$ (1,366)</u>	<u>\$ -0-</u>	<u>\$ 26,883</u>

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

(Continued)

NOTE 5. CAPITAL ASSETS (Cont'd)

The District transferred \$-0- of completed capital projects to depreciable capital assets during the fiscal year. As of June 30, 2023, the District expended \$117,573 on capital additions and depreciated \$270,629 from its governmental activities. The District expended \$8,769 and depreciated \$10,135 from its business-type activities during the fiscal year.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 188,722
Special Instruction	16,012
Student and Instruction Related Services	5,262
General Administration	4,946
School Administration	4,093
Operations and Maintenance of Plant	28,741
Student Transportation	22,853
	\$ 270,629

NOTE 6. LEASE ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Lease Assets Being Amortized:				
Machinery and Equipment	\$ 158,083		\$ (158,083)	
Total Lease Assets Being Amortized	158,083		(158,083)	
Governmental Activities Lease Assets	158,083		(158,083)	
Less Accumulated Amortization for:				
Machinery and Equipment	(149,298)	\$ (8,785)	158,083	
	(149,298)	(8,785)	158,083	
Governmental Activities Lease Assets, Net of Accumulated Amortization	\$ 8,785	\$ (8,785)	\$ -0-	\$ -0-

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

NOTE 6. LEASE ASSETS (Cont'd)

Amortization expense was charged to the governmental functions as follows:

Regular Instruction	\$	8,785
	\$	<u>8,785</u>

NOTE 7. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2023, the District transferred \$1,338,933 to the capital outlay accounts for facilities acquisition and construction services which did require the approval of the County Superintendent.

NOTE 8. LONG-TERM LIABILITIES

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

	Balance <u>6/30/2022</u>	Accrued	Retired	Balance <u>6/30/2023</u>
Serial Bonds Payable	\$ 3,775,000		\$ 1,355,000	\$ 2,420,000
Net Pension Liability	5,438,501	\$ 1,445,873		6,884,374
Leases Payable	9,133		9,133	
Compensated Absences Payable	1,341,080		65,390	1,275,690
	<u>\$ 10,563,714</u>	<u>\$ 1,445,873</u>	<u>\$ 1,429,523</u>	<u>\$ 10,580,064</u>

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

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

Purpose	Issue Date	Interest Rate	Final Maturity Date	Amount
Improvements to Athletic Fields and Recreation Areas	02/01/09	3.90-4.00%	02/01/24	\$ 310,000
School Refunding Bonds	06/03/14	5.00%	03/15/25	2,110,000
				<u>\$ 2,420,000</u>



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

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

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

Fiscal Year Ending June 30,	Bonds		
	Principal	Interest	Total
2024	\$ 1,365,000	\$ 117,900	\$ 1,482,900
2025	1,055,000	52,750	1,107,750
	<u>\$ 2,420,000</u>	<u>\$ 170,650</u>	<u>\$ 2,590,650</u>

The Debt Service Fund will be used to liquidate the serial bonds payable.

B. Financed Purchases Payable:

The District had no financed purchases payable as of June 30, 2023.

C. Leases Payable:

The District has no leases outstanding as of June 30, 2023.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$87,988 and is separated from the long-term portion of compensated absences of \$1,187,702. The General Fund will be used to liquidate the governmental funds Compensated Absences Payable.

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, \$-0- is recorded for compensated absences in the Enterprise Fund.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$6,884,374. See Note 9 for further information on the PERS.

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

NOTE 9. 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](http://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

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> 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.

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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

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 \$575,264 for fiscal year 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$14,485 to the PERS for normal pension benefits on behalf of the District. The employee contribution rate was 7.50% effective July 1, 2018.

Special Funding Situation

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.

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

At June 30, 2023, the District reported a liability of \$6,884,374 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 0.0456%, which was a decrease of 0.0003% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit in the amount of \$526,127 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 \$14,485 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:

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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ 165,486
	2019	5.21		206,803
	2020	5.16		608,113
	2021	5.13		50,461
	2022	5.04	\$ 21,330	
				<u>21,330</u>
Difference Between Expected and Actual Experience	2018	5.63		6,302
	2019	5.21	15,808	
	2020	5.16	33,880	
	2021	5.13		16,963
	2022	5.04		20,553
				<u>49,688</u>
Changes in Proportion	2018	5.63	3,442	
	2019	5.21	77,002	
	2020	5.16		158,811
	2021	5.13	94,374	
	2022	5.04		44,238
				<u>174,818</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	6,811	
	2020	5.00	204,651	
	2021	5.00	(1,276,480)	
	2022	5.00	1,349,956	
			<u>284,938</u>	
District Contribution Subsequent to the Measurement Date	2022	1.00	615,500	
			<u>\$ 1,146,274</u>	<u>\$ 1,277,730</u>

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

DUMONT BOROUGH SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (590,535)
2024	(300,858)
2025	(146,722)
2026	320,093
2027	(703)
	\$ (718,725)

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:

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.

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

(Continued)

NOTE 9. 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
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

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 non-employer 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 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	\$ 8,844,403	\$ 6,884,374	\$ 5,216,309

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

(Continued)

NOTE 9. 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](http://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 1/55<sup>th</sup> of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> 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.

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 actuarially determined amount.

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

NOTE 9. PENSION PLANS (Cont'd)

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

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 non-employer 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 non-employer 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 non-employer 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 \$7,590,030 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$2,569,760.

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

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred 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 \$95,484,690. 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 0.185%, which was an increase of 0.003% 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		95,484,690
Total	\$	95,484,690

For the fiscal year ended June 30, 2023, the State recognized pension expense on behalf of the District in the amount of \$2,569,760 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements. The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:



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

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	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>	<u>19,441,140,477</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>	<u>122,664,916</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>

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

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

(Continued)

NOTE 9. 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.

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

NOTE 9. PENSION PLANS (Cont'd)

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

Sensitivity of the State's Proportionate Share of the Net Pension Liability Associated with the District 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 Net Pension Liability Associated with the District	\$ 111,957,828	\$ 95,484,690	\$ 95,484,690

Pension Plan Fiduciary Net Position

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 \$61,738 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$83,707 for the fiscal year ended June 30, 2023.

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

NOTE 10. 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. Health benefits coverage is provided by Horizon Blue Cross/Blue Shield of New Jersey.

Property and Liability Insurance

The District is a member of the Northeast Bergen County School Board Insurance Group (the “Group”). This public entity risk management group provides general liability, property and automobile coverage and workers’ compensation coverage for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. The Group 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 Group are elected.

As a member of this Group, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Group were to be exhausted, members would become responsible for their respective shares of the Group’s liabilities. The Group 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 for the Group as of June 30, 2023 is not available as of the date of this audit report. Selected, summarized financial information for the Group as of June 30, 2022 is as follows:

	Northeast Bergen County School Board Insurance Group
Total Assets	\$ 30,411,159
Net Position	\$ 17,613,833
Total Revenue	\$ 16,642,103
Total Expenses	\$ 18,220,220
Change in Net Position	\$ (1,578,117)
Members Dividends	\$ 2,231,474

Financial statements for the Group are available at the Group’s Executive Director’s Office.

Burton Agency  
44 Bergen Street  
P.O. Box 270  
Westwood, NJ 07675  
(201) 664-0310

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

NOTE 10. RISK MANAGEMENT (Cont'd)

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method.” Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s unemployment compensation restricted fund balance in the general fund for the current and previous two fiscal years.

<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		\$ 8,531	\$ 68,285	\$ 50,779	\$ 580,178
2021-2022	\$ 25,000	606	62,441	800	554,141
2020-2021	25,000	711	56,238	24,871	466,894

NOTE 11. 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 12. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 433,280	\$ 195,093
Special Revenue Fund		433,280
Food Service Fund	195,093	
	<u>\$ 628,373</u>	<u>\$ 628,373</u>

The interfund between the General Fund and the Special Revenue Fund is due to a deficit in cash and cash equivalents in the Special Revenue Fund. This deficit is due to timing between expenditure and reimbursement from the State of New Jersey. The interfund payable in the General Fund to the Food Service Fund is for reimbursements received from the Federal and State Grant Programs in the Food Service Program which were collected in General Fund and not remitted prior to year-end.

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

NOTE 13. 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 fiscal 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	Variable Annuity Life Insurance (VALIC)
Lincoln TSA	Faculty Services TSA
Great West TSA	MetLife
Aspire Financial Services	

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. Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 15. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2023:

	Governmental Funds	District Contribution Subsequent to the Measure- ment Date	Total Governmental Activities	Business- Type Activities Proprietary Funds
State of New Jersey		\$ 615,500	\$ 615,500	
Vendors				\$ 38,213
Payroll Deductions and Withholdings	\$ 936,101		936,101	
	\$ 936,101	\$ 615,500	\$ 1,551,601	\$ 38,213

NOTE 16. COMMITMENTS AND CONTINGENCIES

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.

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

NOTE 16. COMMITMENTS AND CONTINGENCIES (Cont'd)

Litigation

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

Arbitrage

The District may have a liability for arbitrage payable to the federal government relative to its school bond issues. The amount of liability at June 30, 2023, if any, is unknown.

Encumbrances

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

General Fund	Special Revenue Fund	Total Governmental Funds
\$ 2,493,144	\$ 25,203	\$ 2,518,347

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 \$25,203 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 grant receivables or an increase in unearned revenue.

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan (including Prescription Drug Program Fund)

General Information about the OPEB Plan

A. Plan Description and Benefits Provided

The District is in a “special funding situation”, as described in GASB Statement No. 75, 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.



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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

General Information about the OPEB Plan (Cont'd)

A. Plan Description and Benefits Provided (Cont'd)

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

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

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

B. Employees Covered by Benefit Terms

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

Retirees Plan Members and Spouses of Retirees Currently Receiving Benefit Payments	151,669
Active Plan Members	213,148
Total	364,817

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.

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Actuarial Assumptions and Other Inputs

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

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

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 6.25% 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%.

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

(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Discount Rate

The discount rate used to measure the total OPEB liability for June 30, 2021 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

	Total OPEB Liability
Balance at June 30, 2021	\$ 100,732,009
Changes for Year:	
Service Cost	4,315,803
Interest on the Total OPEB Liability	2,236,557
Difference between Actual and Expected Experience	1,894,488
Changes of Assumptions	(22,639,681)
Gross Benefit Payments by the State	(2,215,376)
Contributions from Members	71,070
Net Changes	(16,337,139)
Balance at June 30, 2022	\$ 84,394,870

Sensitivity of the Total Non-employer OPEB Liability Attributable to the District to Changes in the Discount Rate

The following presents the total non-employer 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 non-employer 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	\$ 99,197,292	\$ 84,394,870

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

(Continued)

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

Sensitivity of the Total Non-employer OPEB Liability Attributable to the District to Changes in the Healthcare Trend Rate

The following presents the total non-employer OPEB Liability attributable to the District as of June 30, 2021, calculated using the healthcare trend rate as disclosed in this note, as well as what the total non-employer 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	\$ 69,757,518	\$ 84,394,870	\$ 103,621,920

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 \$2,153,284 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 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		\$ 4,381,872
	2018	9.51		4,181,553
	2019	9.29	\$ 590,372	
	2020	9.24	13,938,945	
	2021	9.24	77,298	
	2022	9.13		20,159,978
				14,606,615
Differences between Expected and Actual Experience	2018	9.51		3,952,868
	2019	9.29		6,948,712
	2020	9.24	12,991,644	
	2021	9.24		14,865,150
	2022	9.13	2,076,188	
				15,067,832
Changes in Proportion	N/A	N/A	745,631	2,188,973
			\$ 30,420,078	\$ 56,679,106

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

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Cont'd)

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

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

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	\$ (4,194,463)
2024	(4,194,463)
2025	(4,194,463)
2026	(3,625,067)
2027	(2,072,862)
Thereafter	(6,534,368)
	\$ (24,815,686)

SCHEDULES OF REQUIRED  
SUPPLEMENTARY INFORMATION

DUMONT BOROUGH 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	0.04517571%	0.04669189%	0.04750065%	0.04528390%	0.04542018%	0.04888875%	0.0451988845%	0.0459080823%	0.0456179297%
District's proportionate share of the net pension liability	\$ 8,458,128	\$ 10,481,393	\$ 14,066,330	\$ 10,541,369	\$ 8,943,006	\$ 8,447,783	\$ 7,370,756	\$ 5,438,501	\$ 6,884,374
District's covered employee payroll	\$ 3,254,891	\$ 3,126,566	\$ 3,135,625	\$ 3,239,648	\$ 3,226,522	\$ 3,323,534	\$ 3,346,360	\$ 3,313,513	\$ 3,495,252
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	259.86%	335.24%	448.60%	325.39%	277.17%	254.18%	220.26%	164.13%	196.96%
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.

DUMONT BOROUGH 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	\$ 372,422	\$ 401,425	\$ 424,272	\$ 441,050	\$ 453,949	\$ 457,937	\$ 494,453	\$ 557,710	\$ 575,264
Contributions in relation to the contractually required contribution	(372,422)	(401,425)	(424,272)	(441,050)	(453,949)	(457,937)	(494,453)	(557,710)	(575,264)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 3,209,209	\$ 3,254,891	\$ 3,126,566	\$ 3,135,625	\$ 3,239,648	\$ 3,226,522	\$ 3,323,534	\$ 3,346,360	\$ 3,313,513
Contributions as a percentage of covered employee payroll	11.60%	12.33%	13.57%	14.07%	14.01%	14.19%	14.88%	16.67%	17.36%

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



DUMONT BOROUGH SCHOOL DISTRICT  
 REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
 SCHEDULE OF THE 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	0.1956935484%	0.1877453708%	0.1823237035%	0.1677851230%	0.1847652527%	0.1778256337%	0.1901326173%	0.1819699478%	0.1850678774%	
State's proportionate share of the net pension liability attributable to the District	\$ 104,591,833	\$ 116,644,130	\$ 151,297,071	\$ 126,612,175	\$ 117,543,749	\$ 109,133,270	\$ 125,200,041	\$ 87,482,396	\$ 95,484,690	
District's covered employee payroll	\$ 19,259,824	\$ 18,925,262	\$ 18,845,758	\$ 20,438,215	\$ 19,845,304	\$ 20,408,531	\$ 21,235,487	\$ 21,015,350	\$ 22,230,148	
State's proportionate share of the net pension liability attributable to the District as a percentage of its covered employee payroll	543.06%	616.34%	802.82%	619.49%	592.30%	534.74%	589.58%	416.28%	429.53%	
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	

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

DUMONT BOROUGH 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	\$ 5,628,023	\$ 7,244,292	\$ 11,367,644	\$ 8,771,050	\$ 6,852,390	\$ 6,436,972	\$ 7,785,472	\$ 2,058,499	\$ 2,569,760	
Contributions in relation to the contractually required contribution	(1,534,711)	(2,280,967)	(3,050,500)	(4,002,755)	(5,559,650)	(5,884,513)	(5,289,645)	(7,618,608)	(7,590,030)	
Contribution deficiency/(excess)	\$ 4,093,312	\$ 4,963,325	\$ 8,317,144	\$ 4,768,295	\$ 1,292,740	\$ 552,459	\$ 2,495,827	\$ (5,560,109)	\$ (5,020,270)	
District's covered employee payroll	\$ 19,283,214	\$ 19,259,824	\$ 18,925,262	\$ 18,845,758	\$ 20,438,215	\$ 19,845,304	\$ 20,408,531	\$ 21,235,487	\$ 21,015,350	
Contributions as a percentage of covered employee payroll	7.96%	11.84%	16.12%	21.24%	27.20%	29.65%	25.92%	35.88%	36.12%	

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

DUMONT BOROUGH 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 Year Ending June 30,					
	2017	2018	2019	2020	2021	2022
Total OPEB Liability:						
Service Cost	\$ 3,628,451	\$ 3,000,631	\$ 2,695,847	\$ 2,780,258	\$ 5,009,348	\$ 4,315,803
Interest Cost	2,871,995	3,325,419	3,057,207	2,545,012	2,613,094	2,236,557
Changes of Benefit Terms					(107,217)	
Difference between Expected and Actual Experience		(8,983,422)	(11,151,536)	19,486,476	(19,616,924)	1,894,488
Changes in Assumptions	(11,745,166)	(8,876,025)	1,057,042	20,956,481	99,380	(22,639,681)
Member Contributions	77,509	71,482	64,510	60,538	66,804	71,070
Gross Benefit Payments	(2,104,922)	(2,068,247)	(2,176,248)	(1,997,284)	(2,058,386)	(2,215,376)
Net Change in Total OPEB Liability	(7,272,133)	(13,530,162)	(6,453,178)	43,831,481	(13,993,901)	(16,337,139)
Total OPEB Liability - Beginning	98,149,902	90,877,769	77,347,607	70,894,429	114,725,910	100,732,009
Total OPEB Liability - Ending	\$ 90,877,769	\$ 77,347,607	\$ 70,894,429	\$ 114,725,910	\$ 100,732,009	\$ 84,394,870
District's Covered Employee Payroll *	\$ 21,981,383	\$ 23,677,863	\$ 23,071,826	\$ 23,732,065	\$ 24,581,847	\$ 24,328,863
Total OPEB Liability as a Percentage of Covered Employee Payroll	413%	327%	307%	483%	410%	347%

\* 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, 2017.

DUMONT BOROUGH 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 for 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.

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

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 15.23% 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

DUMONT BOROUGH 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	\$ 37,015,652		\$ 37,015,652	\$ 37,015,652	
Unrestricted Miscellaneous Revenues	102,248		102,248	257,753	\$ 155,505
Interest Earned on Capital Reserve Funds	450		450	131,074	130,624
Other Restricted Miscellaneous Revenues				26,037	26,037
<b>Total Revenues from Local Sources</b>	<b>37,118,350</b>		<b>37,118,350</b>	<b>37,430,516</b>	<b>312,166</b>
Revenues from State Sources:					
Categorical Transportation Aid	222,500		222,500	222,500	
Extraordinary Aid	327,139		327,139	1,068,253	741,114
Categorical Special Education Aid	1,819,573		1,819,573	1,819,573	
Equalization Aid	8,845,639		8,845,639	8,845,639	
Categorical Security Aid	139,307		139,307	139,307	
TPAF Post Retirement Contributions (Non-Budgeted)				2,021,546	2,021,546
TPAF Pension Contributions (Non-Budgeted)				7,590,030	7,590,030
TPAF Non-Contributory Insurance (Non-Budgeted)				105,303	105,303
TPAF Long-Term Disability Insurance (Non-Budgeted)				2,217	2,217
Reimbursed TPAF Social Security Contributions				1,655,916	1,655,916
<b>Total Revenues from State Sources</b>	<b>11,354,158</b>		<b>11,354,158</b>	<b>23,470,284</b>	<b>12,116,126</b>
Revenues from Federal Sources:					
Medicaid Reimbursement	47,235		47,235	43,555	(3,680)
Family First Coronavirus Response Act				4,571	4,571
<b>Total Revenues from Federal Sources</b>	<b>47,235</b>		<b>47,235</b>	<b>48,126</b>	<b>891</b>
<b>TOTAL REVENUE</b>	<b>48,519,743</b>		<b>48,519,743</b>	<b>60,948,926</b>	<b>12,429,183</b>

DUMONT BOROUGH 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
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 956,730		\$ 956,730	\$ 898,514	\$ 58,216
Grades 1-5 - Salaries of Teachers	4,658,712	85,221	4,743,933	4,743,903	30
Grades 6-8 - Salaries of Teachers	4,399,730		4,399,730	4,296,262	103,468
Grades 9-12 - Salaries of Teachers	5,570,470	(104,573)	5,465,897	5,403,908	61,989
Regular Programs - Home Instruction:					
Salaries of Teachers	80,000	19,352	99,352	98,162	1,190
Regular Programs - Undistributed Instruction:					
Other Purchased Services (400-500 Series)	11,150	(600)	10,550	3,418	7,132
General Supplies	1,231,456	3,101	1,234,557	816,679	417,878
Textbooks	462,091	(4,000)	458,091	380,130	77,961
Other Objects	141,916		141,916	133,661	8,255
<b>Total Regular Programs - Instruction</b>	<b>17,512,255</b>	<b>(1,499)</b>	<b>17,510,756</b>	<b>16,774,637</b>	<b>736,119</b>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	300,310	7,619	307,929	307,929	
Other Salaries for Instruction	148,028	(2,096)	145,932	145,932	
General Supplies	2,490	(2,137)	353	353	
Textbooks	1,200	(500)	700	286	414
<b>Total Learning and/or Language Disabilities</b>	<b>452,028</b>	<b>2,886</b>	<b>454,914</b>	<b>454,500</b>	<b>414</b>
Resource Room/Resource Center:					
Salaries of Teachers	1,426,020	(24,550)	1,401,470	1,323,563	77,907
Other Salaries for Instruction	830,898		830,898	819,961	10,937
General Supplies	4,550	(174)	4,376	1,885	2,491
Textbooks	2,770	(320)	2,450	204	2,246
<b>Total Resource Room/Resource Center</b>	<b>2,264,238</b>	<b>(25,044)</b>	<b>2,239,194</b>	<b>2,145,613</b>	<b>93,581</b>



DUMONT BOROUGH 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
Preschool Disabilities - Part-Time:					
Salaries of Teachers	\$ 185,885	\$ 3,569	\$ 189,454	\$ 189,454	
Other Salaries for Instruction	76,452		76,452	75,405	\$ 1,047
Purchased Professional-Educational Services	59,019	(13,569)	45,450	36,543	8,907
General Supplies	2,500		2,500	83	2,417
Total Preschool Disabilities - Part-Time	323,856	(10,000)	313,856	301,485	12,371
TOTAL SPECIAL EDUCATION - INSTRUCTION	3,040,122	(32,158)	3,007,964	2,901,598	106,366
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	1,058,046	3,071	1,061,117	1,061,117	
Total Basic Skills/Remedial - Instruction	1,058,046	3,071	1,061,117	1,061,117	
Bilingual Education - Instruction:					
Salaries of Teachers	355,765	18,293	374,058	374,058	
Total Bilingual Education - Instruction	355,765	18,293	374,058	374,058	
School-Spon. Cocurricular & Extracurricular Activities - Instruction:					
Salaries	199,198		199,198	163,735	35,463
Supplies and Materials	32,537		32,537	22,781	9,756
Other Objects	10,000		10,000	3,772	6,228
Total School-Spon. Cocurricular & Extracurricular Activities - Instruction	241,735		241,735	190,288	51,447
School-Sponsored Athletics - Instruction:					
Salaries	427,735		427,735	368,248	59,487
Purchased Services (300-500 series)	147,150		147,150	143,478	3,672
Supplies and Materials	73,710	4,000	77,710	76,793	917
Total School-Sponsored Athletics - Instruction	648,595	4,000	652,595	588,519	64,076

DUMONT BOROUGH 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
Other Instructional Programs - Instruction:					
Salaries	7,215		7,215		\$ 7,215
Total Other Instructional Programs - Instruction	7,215		7,215		7,215
TOTAL INSTRUCTION	22,863,733	\$ (8,293)	22,855,440	\$ 21,890,217	965,223
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Special	3,926,602	332,000	4,258,602	4,154,694	103,908
Tuition to County Vocational School District - Regular	449,343	75,000	524,343	439,219	85,124
Tuition to CSSD & Regular Day Schools	1,449,804	(397,224)	1,052,580	891,269	161,311
Tuition to Private School for the Handicapped within State	903,967	290,224	1,194,191	1,040,237	153,954
Total Undistributed Expenditures - Instruction	6,729,716	300,000	7,029,716	6,525,419	504,297
Undistributed Expend. - Attendance & Social Work:					
Salaries	9,822		9,822	9,132	690
Total Undistributed Expenditures - Attendance and Social Work	9,822		9,822	9,132	690
Undistributed Expenditures - Health Services:					
Salaries	526,830	(3,967)	522,863	522,863	
Purchased Professional and Technical Services	103,013	14,908	117,921	87,983	29,938
Other Purchased Services (400-500 Series)	150	(50)	100	22	78
Supplies and Materials	7,200	(36)	7,164	3,258	3,906
Total Undist. Expenditures - Health Services	637,193	10,855	648,048	614,126	33,922
Undistributed Expenditures - Speech, OT, PT, Related Services:					
Salaries	317,756	10,121	327,877	319,543	8,334
Total Undistributed Expenditures - Speech, OT, PT, Related Services	317,756	10,121	327,877	319,543	8,334

DUMONT BOROUGH 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 - Guidance:					
Salaries of Other Professional Staff	\$ 677,730	\$ 234	\$ 677,964	\$ 677,964	
Salaries of Secretarial and Clerical Assistants	99,181		99,181	99,181	
Other Purchased Services (400-500 Series)	350	(234)	116	109	\$ 7
Supplies and Materials	22,136		22,136	22,009	127
Other Objects	4,000		4,000	2,753	1,247
Total Undist Expend. - Guidance	803,397		803,397	802,016	1,381
Undistributed Expenditures - Child Study Team:					
Salaries of Other Professional Staff	911,416	(79)	911,337	907,118	4,219
Salaries of Secretarial and Clerical Assistants	102,168		102,168	102,168	
Purchased Professional - Educational Services	105,575	13,825	119,400	119,400	
Other Purchased Professional and Technical Services	3,200	(2,921)	279	279	
Other Purchased Services (400-500 Series)		2	2	2	
Supplies and Materials	10,614	(436)	10,178	10,178	
Total Undist Expend. - Child Study Team	1,132,973	10,391	1,143,364	1,139,145	4,219
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	162,430	(3,447)	158,983	158,983	
Salaries of Secretarial and Clerical Assistants	51,272		51,272	51,272	
Other Purchased Professional and Technical Services	122,248		122,248	122,206	42
Other Purchased Services (400-500 Series)	1,600	(1,600)			
Supplies and Materials	55,239	5,117	60,356	59,454	902
Other Objects	608	(70)	538	481	57
Total Undistributed Expenditures - Improvement of Instruction Services	393,397		393,397	392,396	1,001
Undistributed Expenditures - Educational Media Services/School Library:					
Salaries	266,412	(3,546)	262,866	262,862	4
Supplies and Materials	74,325	(19,077)	55,248	48,644	6,604
Other Objects	1,550		1,550	818	732
Total Undist Expend-Educational Media Services/School Library	342,287	(22,623)	319,664	312,324	7,340

DUMONT BOROUGH 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 - Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	\$ 44,770	\$ 67	\$ 44,837	\$ 44,837	
Salaries of Secretarial and Clerical Assistants	6,337		6,337	6,337	
Other Purchased Professional and Technical Services	8,700	(67)	8,633	6,512	\$ 2,121
Other Purchased Services (400-500 Series)	500		500	500	500
Supplies and Materials	7,666		7,666	5,766	1,900
Other Objects	500		500	500	500
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>	<b>68,473</b>		<b>68,473</b>	<b>63,452</b>	<b>5,021</b>
Undistributed Expenditures - Support Services - General Administrative:					
Salaries	337,495		337,495	322,808	14,687
Legal Services	122,050	(25,976)	96,074	69,292	26,782
Audit Fees	40,100		40,100	39,300	800
Purchased Technical Services		18,318	18,318	18,318	
Communications/Telephone	95,380		95,380	76,740	18,640
Other Purchased Services (400-500 Series)	23,000		23,000	10,200	12,800
General Supplies	12,253		12,253	11,210	1,043
BOE In-house Training/ Meeting Supplies	2,000		2,000	36	1,964
Miscellaneous Expenditures	44,500		44,500	34,945	9,555
BOE Membership Dues and Fees	73,450		73,450	72,475	975
<b>Total Undistributed Expenditures - Support Services - General Administrative</b>	<b>750,228</b>	<b>(7,658)</b>	<b>742,570</b>	<b>655,324</b>	<b>87,246</b>
Undistributed Expenditures - Support Services - School Administrative:					
Salaries of Principals/Assistant Principals/Prog Director	1,343,939	(4,566)	1,339,373	1,339,373	
Salaries of Other Professional Staff	743,328	260	743,588	743,588	
Salaries of Secretarial and Clerical Assistants	631,563	(3,521)	628,042	628,042	
Unused Vacation Payment to Terminated/Retired Staff		24,045	24,045	24,045	
Other Purchased Services (400-500 Series)	2,400	(1,923)	477	476	1
Supplies and Materials	75,551	(7,087)	68,464	64,232	4,232
<b>Total Undistributed Expenditures - Support Services - School Administration</b>	<b>2,796,781</b>	<b>7,208</b>	<b>2,803,989</b>	<b>2,799,756</b>	<b>4,233</b>

DUMONT BOROUGH 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
<b>Undistributed Expenditures - Central Services:</b>					
Salaries	\$ 425,803	\$ (3,168)	\$ 422,635	\$ 419,524	\$ 3,111
Miscellaneous Purchased Services (400-500 Series)	31,050		31,050	21,673	9,377
Supplies and Materials	25,604		25,604	23,302	2,302
<b>Total Undistributed Expenditures - Central Services</b>	<b>482,457</b>		<b>482,457</b>	<b>467,666</b>	<b>14,791</b>
<b>Undistributed Expenditures - Administrative Information Technology:</b>					
Salaries	282,203	501	282,704	282,704	10,913
Purchased Professional Services	140,625		140,625	129,712	4,021
Purchased Technical Services	19,420	(501)	18,919	14,898	4,662
Other Purchased Services (400-500 Series)	5,460		5,460	798	3,622
Supplies and Materials	14,371		14,371	10,749	2,187
Other Objects	43,000		43,000	40,813	2,545
<b>Total Undistributed Expenditures - Administrative Information Technology</b>	<b>505,079</b>		<b>505,079</b>	<b>479,674</b>	<b>25,405</b>
<b>Undistributed Expenditures - Required Maintenance for School Facilities:</b>					
Salaries	475,806		475,806	423,991	51,815
Cleaning, Repair, and Maintenance Services	65,412		65,412	57,604	7,808
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>541,218</b>		<b>541,218</b>	<b>481,595</b>	<b>59,623</b>
<b>Undistributed Expenditures - Custodial Services:</b>					
Salaries	1,790,395	(5,021)	1,785,374	1,644,984	140,390
Salaries of Non-Instructional Aides	190,000		190,000	115,039	74,961
Unused Vacation Payment to Terminated/Retired Staff		803	803	803	
Cleaning, Repair, and Maintenance Services	759,924		759,924	618,881	141,043
Other Purchased Property Services	70,000	1,218	71,218	71,217	1
Insurance	397,500		397,500	396,580	920
Miscellaneous Purchased Services	21,500		21,500	19,343	2,157
General Supplies	230,401		230,401	225,486	4,915
Energy (Natural Gas)	263,474	29,000	292,474	275,073	17,401
Energy (Electricity)	539,500	(29,000)	510,500	416,666	93,834
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>4,262,694</b>	<b>(3,000)</b>	<b>4,259,694</b>	<b>3,784,072</b>	<b>475,622</b>

DUMONT BOROUGH 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
Care and Upkeep of Grounds:					
Salaries	\$ 145,667	\$ (1,601)	\$ 144,066	\$ 143,812	\$ 254
Unused Vacation Payment to Terminated/Retired Staff		1,601	1,601	1,600	1
Cleaning, Repair, and Maintenance Services	145,904	(4,000)	141,904	127,232	14,672
General Supplies	23,142	4,000	27,142	26,838	304
Total Care And Upkeep Of Grounds	314,713		314,713	299,482	15,231
Security:					
Salaries	3,000	3,000	6,000	6,000	
Cleaning, Repair, and Maintenance Services	169,338	10,700	180,038	176,951	3,087
Total Security	172,338	13,700	186,038	182,951	3,087
Total Undistributed Expenditures - Operating And Maintenance of Plant Services	5,290,963	10,700	5,301,663	4,748,100	553,563
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Between Home and School) - Special Ed.	331,334	(20,294)	311,040	311,040	
Salaries for Pupil Transportation (Other than Between Home & School)	52,500	(32,913)	19,587	19,587	
Lease Purchase Payments - School Buses	27,162	(26,689)	473		473
Contract. Services (Other than Between Home & School) - Vendor	61,395	8,494	69,889	69,889	
Contract. Services (Between Home & School) - Joint Agreements	641,000	367,331	1,008,331	905,704	102,627
General Supplies	65,000		65,000	60,075	4,925
Total Undistributed Expenditures - Student Transportation Services	1,178,391	300,000	1,478,391	1,370,365	108,026
UNALLOCATED BENEFITS					
Social Security Contributions	555,000	2,347	557,623	557,623	
Other Retirement Contributions - PERS	550,000	25,264	575,264	575,264	
Other Retirement Contributions - Regular	61,500	239	61,739	61,738	1
Unemployment Compensation	25,000		25,000		25,000
Workers Compensation	162,500	(24,983)	137,517	130,065	7,452
Health Benefits	5,760,200	(114,212)	5,645,712	5,559,741	85,971
Unused Sick Payment to Terminated/Retired Staff	48,293	100,645	148,938	60,950	87,988
TOTAL UNALLOCATED BENEFITS	7,162,493	(10,700)	7,151,793	6,945,381	206,412

DUMONT BOROUGH 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
<b>ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>					
TPAF Post Retirement Contributions (Non-Budgeted)				\$ 2,021,546	\$ (2,021,546)
TPAF Pension Contributions (Non-Budgeted)				7,590,030	(7,590,030)
TPAF Non-Contributory Insurance (Non-Budgeted)				105,303	(105,303)
TPAF Long-Term Disability Insurance (Non-Budgeted)				2,217	(2,217)
Reimbursed TPAF Social Security Contributions				1,655,916	(1,655,916)
<b>TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)</b>				11,375,012	(11,375,012)
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	\$ 7,162,493	\$ (10,700)	\$ 7,151,793	18,320,393	(11,168,600)
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	28,601,406	608,294	29,209,700	39,018,831	(9,809,131)
<b>TOTAL GENERAL CURRENT EXPENSE</b>	51,465,139	600,001	52,065,140	60,909,048	(8,843,908)
<b>CAPITAL OUTLAY</b>					
Equipment:					
Undistributed:					
Undistributed Expenditures - Care and Upkeep of Grounds	7,500		7,500	6,314	1,186
Total Equipment	7,500		7,500	6,314	1,186
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services					
Construction Services	279,939	1,338,933	1,618,872	99,537	1,519,335
Assessment for Debt Service on SDA Funding	80,394		80,394	80,394	
Total Facilities Acquisition and Const. Services	360,333	1,338,933	1,699,266	179,931	1,519,335
<b>TOTAL CAPITAL OUTLAY</b>	367,833	1,338,933	1,706,766	186,245	1,520,521
Transfer of Funds to Charter Schools	32,768		32,768	32,768	

DUMONT BOROUGH 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
TOTAL EXPENDITURES	\$ 51,865,740	\$ 1,938,934	\$ 53,804,674	\$ 61,128,061	\$ (7,323,387)
Excess/(Deficit) of Revenues Over/(Under) Expenditures	(3,345,997)	(1,938,934)	(5,284,931)	(179,135)	5,105,796
Fund Balance, July 1	14,508,902		14,508,902	14,508,902	
Fund Balance, June 30	\$ 11,162,905	\$ (1,938,934)	\$ 9,223,971	\$ 14,329,767	\$ 5,105,796
<u>Recapitulation:</u>					
Restricted Fund Balance:				\$ 1,198,061	
Excess Surplus - Restricted For 2024-2025				336,131	
Excess Surplus - Restricted For 2023-2024				7,072,209	
Capital Reserve				580,178	
Unemployment Compensation				2,493,144	
Assigned Fund Balance:				913,869	
Year End Encumbrances				1,736,175	
Designated for Subsequent Year's Expenditures				14,329,767	
Unassigned Fund Balance				(1,076,299)	
Reconciliation to Governmental Funds Statement (GAAP):				\$ 13,253,468	
Last State Aid Payments not Recognized on GAAP basis					
Fund Balance per Governmental Funds (GAAP)				\$ 13,253,468	



DUMONT BOROUGH 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
<b>REVENUES:</b>					
Local Sources	\$ 400,000		\$ 400,000	\$ 564,650	\$ 164,650
State Sources		\$ 66,998	66,998	66,998	
Federal Sources	3,478,249	381,681	3,859,930	1,903,050	(1,956,880)
<b>Total Revenues</b>	<b>3,878,249</b>	<b>448,679</b>	<b>4,326,928</b>	<b>2,534,698</b>	<b>(1,792,230)</b>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	359,404		359,404	205,523	153,881
Purchased Professional and Technical Services	123,815		123,815	53,500	70,315
Tuition	511,336		511,336	511,336	
General Supplies	164,028	14,108	178,136	114,953	63,183
<b>Total Instruction</b>	<b>1,158,583</b>	<b>14,108</b>	<b>1,172,691</b>	<b>885,312</b>	<b>287,379</b>
Support Services:					
Salaries of Other Professional Staff		4,420	4,420	2,068	2,352
Personal Services - Employee Benefits	41,310		41,310	41,310	
Purchased Professional and Technical Services	369,236	28,619	397,855	261,368	136,487
Purchased Professional and Educational Services	71,000		71,000	71,000	
Other Purchased Professional Services		20,719	20,719	20,719	
Supplies and Materials		82,808	82,808	45,758	37,050
Student Activities	375,000		375,000	520,192	(145,192)
Scholarships Awarded	25,000		25,000	22,820	2,180
<b>Total Support Services</b>	<b>881,546</b>	<b>136,566</b>	<b>1,018,112</b>	<b>985,235</b>	<b>32,877</b>
Facilities Acquisition and Construction Services:					
Non-Instructional Equipment	1,838,120	298,005	2,136,125	642,513	1,493,612
<b>Total Facilities Acquisition and Construction Services</b>	<b>1,838,120</b>	<b>298,005</b>	<b>2,136,125</b>	<b>642,513</b>	<b>1,493,612</b>
<b>Total Expenditures</b>	<b>\$ 3,878,249</b>	<b>\$ 448,679</b>	<b>\$ 4,326,928</b>	<b>\$ 2,513,060</b>	<b>\$ 1,813,868</b>
<b>Excess of Revenue Over Expenditures</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ 21,638</b>	<b>\$ 21,638</b>

DUMONT BOROUGH 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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 60,948,926	\$ 2,534,698
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognized Encumbrances as Expenditures and Revenue while the GAAP Basis does not:		
Current Year Encumbrances		(25,203)
Prior Year Encumbrances		29,296
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	934,401	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(1,076,299)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 60,807,028</u>	<u>\$ 2,538,791</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 61,128,061	\$ 2,513,060
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		(25,203)
Prior Year Encumbrances		29,296
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 61,128,061</u>	<u>\$ 2,517,153</u>

DUMONT BOROUGH SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISION SCHEDULE  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

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 not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	Elementary and Secondary Education Act				CRRSA	
	Title I	Title IIA	Title III	Title IV	ESSER II	Learning Accelerating
<b>REVENUES:</b>						
State Sources	\$ 152,560	\$ 47,786	\$ 17,570	\$ 12,478	\$ 648,262	\$ 376
Federal Sources	152,560	47,786	17,570	12,478	648,262	376
<b>Total Revenues</b>						
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers	50,000	31,000				376
Purchased Professional and Technical Services						
Tuition						
General Supplies	42,516	976	14,048	12,478		
Total Instruction	92,516	31,976	14,048	12,478		376
<b>Support Services:</b>						
Salaries of Other Professional Staff			2,068			
Personal Services - Employee Benefits	25,500	15,810				
Purchased Professional and Technical Services	27,500		654		5,749	
Purchased Professional and Educational Services						
Other Purchased Professional Services						
Supplies and Materials	7,044		800			
Student Activities						
Scholarships Awarded						
Total Support Services	60,044	15,810	3,522		5,749	
<b>Facilities Acquisition and Construction Services:</b>						
Non-Instructional Equipment					642,513	
Total Facilities Acquisition and Construction Services					642,513	
<b>Total Expenditures</b>	\$ 152,560	\$ 47,786	\$ 17,570	\$ 12,478	\$ 648,262	\$ 376

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

	American Rescue Plan		NJTSS Mental Health Support Staffing		ASCERS		School Climate Change Pilot Grant
	Accelerated Learning Coaching and Educator Support						
REVENUES:							
State Sources							
Federal Sources	\$ 281,575	\$ 81,179	\$ 19,209	\$ 40,704		\$ 6,660	
Total Revenues	281,575	81,179	19,209	40,704		6,660	
EXPENDITURES:							
Instruction:							
Salaries of Teachers	124,147						
Purchased Professional and Technical Services	53,500			40,704			
Tuition							
General Supplies	26,275						6,660
Total Instruction	203,922			40,704			6,660
Support Services:							
Salaries of Other Professional Staff							
Personal Services - Employee Benefits							
Purchased Professional and Technical Services	76,998	81,179	8,950				
Purchased Professional and Educational Services							
Other Purchased Professional Services							
Supplies and Materials	655		10,259				
Student Activities							
Scholarships Awarded							
Total Support Services	77,653	81,179	19,209				
Facilities Acquisition and Construction Services:							
Non-Instructional Equipment							
Total Facilities Acquisition and Construction Services							
Total Expenditures	\$ 281,575	\$ 81,179	\$ 19,209	\$ 40,704		\$ 6,660	

DUMONT BOROUGH 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		Schools Development and Capital Maintenance Needs Authority Emergent Program	Student Activities	Scholarships	Totals
	Basic	Preschool				
<b>REVENUES:</b>						
Local Sources				\$ 544,638	\$ 20,012	\$ 564,650
State Sources	\$ 578,632	\$ 22,719	\$ 60,338			66,998
Federal Sources						1,903,050
<b>Total Revenues</b>	<b>578,632</b>	<b>22,719</b>	<b>60,338</b>	<b>544,638</b>	<b>20,012</b>	<b>2,534,698</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries of Teachers	470,632					205,523
Purchased Professional and Technical Services	10,000	2,000				53,500
Tuition						511,336
General Supplies	480,632	2,000				114,953
<b>Total Instruction</b>	<b>961,264</b>	<b>4,000</b>				<b>885,312</b>
Support Services:						
Salaries of Other Professional Staff						2,068
Personal Services - Employee Benefits						41,310
Purchased Professional and Technical Services			60,338			261,368
Purchased Professional and Educational Services	71,000					71,000
Other Purchased Professional Services		20,719				20,719
Supplies and Materials	27,000					45,758
Student Activities				520,192		520,192
Scholarships Awarded					22,820	22,820
<b>Total Support Services</b>	<b>98,000</b>	<b>20,719</b>	<b>60,338</b>	<b>520,192</b>	<b>22,820</b>	<b>985,235</b>
Facilities Acquisition and Construction Services:						
Non-Instructional Equipment						642,513
<b>Total Facilities Acquisition and Construction Services</b>						<b>642,513</b>
<b>Total Expenditures</b>	<b>578,632</b>	<b>22,719</b>	<b>60,338</b>	<b>520,192</b>	<b>22,820</b>	<b>2,513,060</b>



CAPITAL PROJECTS FUND  
(NOT APPLICABLE)

PROPRIETARY FUNDS

DUMONT BOROUGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF NET POSITION  
JUNE 30, 2023

## ASSETS:

## Current Assets:

Cash and Cash Equivalents	\$ 539,049
Interfund Receivable - General Fund	195,093
Intergovernmental Accounts Receivable:	
State	1,230
Federal	27,566
Other Accounts Receivable	58,688
Inventories	10,958
	<hr/>
Total Current Assets	832,584

## Non-Current Assets:

Capital Assets	109,338
Less: Accumulated Depreciation	(82,455)
	<hr/>
Total Non-Current Assets	26,883

## Total Assets

---



---

859,467

## LIABILITIES:

## Current Liabilities:

Accounts Payable - Vendors	38,213
Unearned Revenue - Donated Commodities	1,324
Unearned Revenue - Prepaid Sales	18,042
Unearned Revenue - Supply Chain Assistance	73,928
	<hr/>

## Total Current Liabilities:

---

131,507

## Total Liabilities

---

131,507

## NET POSITION:

Investment in Capital Assets	26,883
Unrestricted	701,077
	<hr/>

## Total Net Position

---



---

\$ 727,960

DUMONT BOROUGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Operating Revenue:	
Daily Sales:	
Reimbursable Programs	\$ 252,455
Non-Reimbursable Programs	139,411
Miscellaneous Revenue	7,013
Total Operating Revenue	<u>398,879</u>
Operating Expenses:	
Cost of Sales:	
Reimbursable Programs	185,868
Non-Reimbursable Programs	79,658
Salaries	206,927
Employee Benefits	61,671
Other Purchased Services	53,939
Supplies and Materials	14,646
Management Fee	17,951
Depreciation Expense	10,134
Total Operating Expenses	<u>630,794</u>
Operating (Loss)	<u>(231,915)</u>
Non-Operating Revenue:	
Interest Income	12,159
State Sources:	
State School Lunch Program	6,564
Federal Sources:	
National School Lunch Program	144,790
Food Distribution Program	24,564
Other Nutrition Programs - Supply Chain Assistance	51,165
Paycheck Protection Program Reimbursement	32,753
Total Non-Operating Revenue	<u>271,995</u>
Change in Net Position	40,080
Net Position - Beginning of Year	<u>687,880</u>
Net Position - End of Year	<u>\$ 727,960</u>

DUMONT BOROUGH SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 342,580
Payments to Food Service Company	<u>(611,245)</u>
Net Cash Used for Operating Activities	<u>(268,665)</u>
Cash Flows from Financing Activities:	
Interest Income	<u>12,159</u>
Net Cash Provided by Financing Activities	<u>12,159</u>
Cash Flows from Capital and Related Financing Activities:	
Purchase of Capital Assets	<u>(8,769)</u>
Net Cash Used for Capital and Related Financing Activities	<u>(8,769)</u>
Cash Flows from Noncapital Financing Activities:	
Interfund Returned - General Fund	222,446
State Sources	7,563
Federal Sources	<u>339,138</u>
Net Cash Provided by Noncapital Financing Activities	<u>569,147</u>
Net Increase in Cash and Cash Equivalents	303,872
Cash and Cash Equivalents, July 1	<u>235,177</u>
Cash and Cash Equivalents, June 30	<u>\$ 539,049</u>
Reconciliation of Operating Loss to Net Cash	
Used for Operating Activities:	
Adjustment to Reconcile Operating Loss to Net Cash	
Used for Operating Activities:	
Operating Loss	\$ (231,915)
Depreciation	10,134
Food Distribution Program	24,564
Changes in Assets and Liabilities:	
(Increase) in Other Accounts Receivable	(52,607)
(Decrease) in Accounts Payable	(23,156)
(Decrease) in Unearned Revenue - Donated Commodities	(538)
(Decrease) in Unearned Revenue - Prepaid Sales	(3,154)
Decrease in Inventory	<u>8,007</u>
Net Cash Used for Operating Activities	<u>\$ (268,665)</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 \$24,026 and utilized U.S.D.A. Commodities valued at \$24,564.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM LIABILITIES

DUMONT BOROUGH SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance June 30, 2022	Matured	Balance June 30, 2023
			Date	Amount				
Improvements to Athletic Fields and Recreation Areas	02/01/09	\$ 3,355,000	02/01/24	\$ 310,000	4.00%	\$ 615,000	\$ 305,000	\$ 310,000
	06/03/14	10,020,000	03/15/24	1,055,000	5.00%	3,160,000	1,050,000	2,110,000
School Refunding Bonds			03/15/25	1,055,000	5.00%			
						<u>\$ 3,775,000</u>	<u>\$ 1,355,000</u>	<u>\$ 2,420,000</u>



DUMONT BOROUGH SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF OBLIGATIONS UNDER LEASES

Purpose	Interest Rate	Original Issue	Balance July 1, 2022	Issued	Matured	Balance July 1, 2023
Canon Copier Lease	2.790%	\$ 158,083	\$ 9,133		\$ 9,133	
			\$ 9,133	\$ -0-	\$ 9,133	\$ -0-

DUMONT BOROUGH 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
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 1,479,447		\$ 1,479,447	\$ 1,479,447	
State Sources:					
Debt Service Aid Type II	57,848		57,848	57,848	
Total Revenue	<u>1,537,295</u>		<u>1,537,295</u>	<u>1,537,295</u>	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	182,295		182,295	182,295	
Redemption of Principal	1,355,000		1,355,000	1,355,000	
Total Regular Debt Service	<u>1,537,295</u>		<u>1,537,295</u>	<u>1,537,295</u>	
Total Expenditures	<u>1,537,295</u>		<u>1,537,295</u>	<u>1,537,295</u>	
Excess of Revenue Over Expenditures	-0-		-0-	-0-	
Fund Balance, July 1	-0-		-0-	-0-	
Fund Balance, June 30	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**STATISTICAL SECTION**  
**(UNAUDITED)**

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

**Contents**

	<b><u>Exhibit</u></b>
<b>Financial Trends</b> 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
<b>Revenue Capacity</b> 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
<b>Debt Capacity</b> 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
<b>Demographic and Economic Information</b> 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
<b>Operating Information</b> 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.

DUMONT BOROUGH SCHOOL DISTRICT  
NET POSITION BY COMPONENT,  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities (Deficit):										
Net Investment in Capital Assets	\$ (14,365,273)	\$ (11,202,193)	\$ (8,955,656)	\$ (4,891,527)	\$ (2,713,975)	\$ (861,985)	\$ 1,434,710	\$ 2,991,489	\$ 4,690,687	\$ 5,892,979
Restricted	8,141,859	7,981,269	9,530,511	9,370,518	7,784,993	9,534,720	7,905,616	9,575,987	9,897,634	10,481,075
Unrestricted/(Deficit)	(678,311)	(10,579,349)	(10,759,177)	(11,500,371)	(11,478,384)	(11,358,067)	(8,984,743)	(8,255,495)	(5,167,493)	(4,876,068)
<b>Total Governmental Activities Net Position (Deficit)</b>	<b>\$ (6,901,725)</b>	<b>\$ (13,800,273)</b>	<b>\$ (10,184,322)</b>	<b>\$ (7,021,380)</b>	<b>\$ (6,407,366)</b>	<b>\$ (2,685,332)</b>	<b>\$ 355,583</b>	<b>\$ 4,311,981</b>	<b>\$ 9,420,828</b>	<b>\$ 11,497,986</b>
Business-Type Activities:										
Investment in Capital Assets	\$ 44,028	\$ 42,297	\$ 53,465	\$ 46,934	\$ 55,087	\$ 47,221	\$ 45,011	\$ 36,630	\$ 28,249	\$ 26,883
Unrestricted/(Deficit)	77,916	64,653	43,960	44,340	31,877	26,541	(7,507)	296,270	659,631	701,077
<b>Total Business-Type Activities Net Position</b>	<b>\$ 121,944</b>	<b>\$ 106,950</b>	<b>\$ 97,425</b>	<b>\$ 91,274</b>	<b>\$ 86,964</b>	<b>\$ 73,762</b>	<b>\$ 37,504</b>	<b>\$ 332,900</b>	<b>\$ 687,880</b>	<b>\$ 727,960</b>
District-Wide/(Deficit):										
Net Investment in Capital Assets	\$ (14,321,245)	\$ (11,159,896)	\$ (8,902,191)	\$ (4,844,593)	\$ (2,658,888)	\$ (814,764)	\$ 1,479,721	\$ 3,028,119	\$ 4,718,936	\$ 5,919,862
Restricted	8,141,859	7,981,269	9,530,511	9,370,518	7,784,993	9,534,720	7,905,616	9,575,987	9,897,634	10,481,075
Unrestricted/(Deficit)	(600,395)	(10,514,696)	(10,715,217)	(11,456,031)	(11,446,507)	(11,331,526)	(8,992,250)	(7,959,225)	(4,507,862)	(4,174,991)
<b>Total District Net Position(Deficit)</b>	<b>\$ (6,779,781)</b>	<b>\$ (13,693,323)</b>	<b>\$ (10,086,897)</b>	<b>\$ (6,930,106)</b>	<b>\$ (6,320,402)</b>	<b>\$ (2,611,570)</b>	<b>\$ 393,087</b>	<b>\$ 4,644,881</b>	<b>\$ 10,108,708</b>	<b>\$ 12,225,946</b>

Source: Dumont Borough School District Financial Reports.

DUMONT BOROUGH SCHOOL DISTRICT  
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 20,217,607	\$ 19,232,366	\$ 18,903,737	\$ 19,755,269	\$ 27,948,867	\$ 25,432,114	\$ 24,555,907	\$ 25,733,867	\$ 25,733,867	\$ 25,260,990
Special Education	3,814,168	3,695,879	3,878,153	4,075,572	5,270,603	5,016,135	5,089,536	5,001,711	5,001,711	4,009,096
Other Instruction	2,546,804	2,552,525	2,580,132	2,574,448	3,536,924	3,328,214	3,287,275	2,239,519	2,239,519	2,176,481
School Sponsored/Other Instruction								866,865	866,865	854,558
Support Services:										
Tuition	4,561,076	4,415,236	4,107,192	3,826,148	5,083,155	4,747,207	5,071,557	5,392,889	5,392,889	7,036,755
Student and Instruction Related Services	4,376,018	4,131,163	4,212,022	4,308,610	5,546,220	5,489,675	5,501,414	5,510,386	5,510,386	5,593,205
General Administrative Services								927,841	927,841	831,174
School Administrative Services	3,290,466	3,311,288	3,249,173	3,434,825	4,481,502	4,560,132	4,311,223	3,998,457	3,998,457	3,500,301
Central Services								780,327	780,327	684,734
Administrative Information Technology	1,578,530	1,579,178	1,709,796	1,779,050	2,132,563	2,169,830	2,271,572	554,011	554,011	518,817
Plant Operations and Maintenance	4,688,510	4,719,880	4,823,797	5,170,674	5,969,966	6,266,331	5,510,063	4,920,026	4,920,026	4,999,596
Pupil Transportation	876,014	839,595	908,195	939,155	1,061,183	1,155,967	1,018,210	701,553	701,553	1,435,175
Capital Outlay								84,095	84,095	742,050
Special Schools	52,446	56,157	56,081	61,169	51,246	58,777	46,757			
Transfer of Funds to Charter Schools	33,303	16,082	80,028	81,379	72,553	73,269	67,830	65,367	65,367	32,768
SDA Debt Service Assessment	80,394	80,394	80,394	80,394	80,394	80,394	80,394			
Interest on Long-Term Debt	687,569	456,998	547,611	510,105	468,266	417,508	360,638	293,896	293,896	242,420
Total Governmental Activities Expenses	46,802,905	45,086,741	45,136,311	46,596,798	61,703,442	58,795,553	57,172,376	57,070,810	57,070,810	57,918,120
Business-Type Activities:										
Food Service	416,394	378,491	397,082	402,202	413,425	429,001	367,135	547,337	547,337	630,794
Total Business-Type Activities Expense	416,394	378,491	397,082	402,202	413,425	429,001	367,135	547,337	547,337	630,794
<b>Total District Expenses</b>	<b>\$ 47,219,299</b>	<b>\$ 45,465,232</b>	<b>\$ 45,533,393</b>	<b>\$ 46,999,000</b>	<b>\$ 62,116,867</b>	<b>\$ 59,224,554</b>	<b>\$ 57,539,511</b>	<b>\$ 57,618,147</b>	<b>\$ 57,618,147</b>	<b>\$ 58,548,914</b>
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services:										
Pupil Transportation										
Special Schools										
Student and Related Services	\$ 41,860	\$ 41,720	\$ 44,880	\$ 44,965	\$ 31,170	\$ 34,270	\$ 29,340	\$ 138,831	\$ 138,831	\$ 564,650
Interest on Long Term Debt	835,562	537,562	494,451	456,147	413,764	361,657	303,585			
Operating Grants and Contributions	6,640,418	6,135,569	6,327,930	6,342,621	18,615,486	17,007,660	14,373,941	14,971,515	14,971,515	11,616,490
Total Governmental Activities Program Revenues	7,517,840	6,714,851	6,867,261	6,843,733	19,060,420	17,403,587	14,706,866	15,110,346	15,110,346	12,181,140

**DUMONT BOROUGH SCHOOL DISTRICT**  
**CHANGES IN NET POSITION, LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**  
**UNAUDITED**  
**(Continued)**

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Program Revenues:</b>										
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 274,465	\$ 227,743	\$ 249,297	\$ 261,179	\$ 269,764	\$ 280,123	\$ 194,879	\$ 842,674	\$ 842,674	\$ 398,879
Operating grants and contributions	137,295	135,571	138,135	134,745	139,194	134,940	136,357	842,674	842,674	259,836
Total Business-Type Activities Program Revenues	<u>411,760</u>	<u>363,314</u>	<u>387,432</u>	<u>395,924</u>	<u>408,958</u>	<u>415,063</u>	<u>331,236</u>	<u>842,674</u>	<u>842,674</u>	<u>658,715</u>
Total District Program Revenues	\$ 7,929,600	\$ 7,078,165	\$ 7,254,693	\$ 7,239,657	\$ 19,469,378	\$ 17,818,650	\$ 15,038,102	\$ 15,953,020	\$ 15,953,020	\$ 12,839,855
Net (Expense)/Revenue:										
Governmental Activities	\$ (39,285,065)	\$ (38,371,890)	\$ (38,269,050)	\$ (39,753,065)	\$ (42,643,022)	\$ (41,391,966)	\$ (42,465,510)	\$ (41,960,464)	\$ (41,960,464)	\$ (45,736,980)
Business-Type Activities	<u>(4,634)</u>	<u>(15,177)</u>	<u>(9,650)</u>	<u>(6,278)</u>	<u>(4,467)</u>	<u>(13,938)</u>	<u>(35,899)</u>	<u>295,337</u>	<u>295,337</u>	<u>27,921</u>
Total District-Wide Net Expense	<u>\$ (39,289,699)</u>	<u>\$ (38,387,067)</u>	<u>\$ (38,278,700)</u>	<u>\$ (39,759,343)</u>	<u>\$ (42,647,489)</u>	<u>\$ (41,405,904)</u>	<u>\$ (42,501,409)</u>	<u>\$ (41,665,127)</u>	<u>\$ (41,665,127)</u>	<u>\$ (45,709,059)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 32,306,373	\$ 32,952,500	\$ 33,611,550	\$ 34,196,740	\$ 34,880,675	\$ 35,578,289	\$ 36,289,855	\$ 37,015,652	\$ 37,015,652	\$ 37,015,652
Taxes Levied for Debt Service	1,117,039	1,219,948	1,190,883	1,232,021	1,289,529	1,360,467	1,424,377	1,701,888	1,701,888	1,479,447
Federal and State Aid not Restricted	6,839,846	6,889,721	6,683,045	6,913,692	6,944,142	6,925,756	6,952,694	7,049,012	7,049,012	8,903,479
Investment Earnings	25,131	17,711	24,238	29,942	38,558	116,108	93,633	3,627	3,627	131,074
Restricted Miscellaneous Income								81,949	81,949	26,733
Miscellaneous Income	470,649	109,383	187,299	543,612	104,133	1,132,380	98,849	66,307	66,307	257,753
Other Items	<u>2,637,986</u>	<u>(13,508)</u>	<u>(12,014)</u>							
Total Governmental Activities	<u>43,397,024</u>	<u>41,175,755</u>	<u>41,685,001</u>	<u>42,916,007</u>	<u>43,257,037</u>	<u>45,113,000</u>	<u>44,859,408</u>	<u>45,918,435</u>	<u>45,918,435</u>	<u>47,814,138</u>
Business-Type Activities:										
Investment Earnings	194	183	125	126	156	236	141	59	59	12,159
Total Business-Type Activities	<u>194</u>	<u>183</u>	<u>125</u>	<u>126</u>	<u>156</u>	<u>236</u>	<u>141</u>	<u>59</u>	<u>59</u>	<u>12,159</u>
Total District-Wide	\$ 43,397,218	\$ 41,175,938	\$ 41,685,126	\$ 42,916,133	\$ 43,257,193	\$ 45,113,236	\$ 44,859,549	\$ 45,918,494	\$ 45,918,494	\$ 47,826,297
<b>Change in Net Position:</b>										
Governmental Activities	\$ 4,111,959	\$ 2,803,865	\$ 3,415,951	\$ 3,162,942	\$ 614,015	\$ 3,721,034	\$ 2,393,898	\$ 3,957,971	\$ 3,957,971	\$ 2,077,158
Business-Type Activities	<u>(4,440)</u>	<u>(14,994)</u>	<u>(9,525)</u>	<u>(6,152)</u>	<u>(4,311)</u>	<u>(13,702)</u>	<u>(35,758)</u>	<u>295,396</u>	<u>295,396</u>	<u>40,080</u>
Total District	<u>\$ 4,107,519</u>	<u>\$ 2,788,871</u>	<u>\$ 3,406,426</u>	<u>\$ 3,156,790</u>	<u>\$ 609,704</u>	<u>\$ 3,707,332</u>	<u>\$ 2,358,140</u>	<u>\$ 4,253,367</u>	<u>\$ 4,253,367</u>	<u>\$ 2,117,238</u>

Source: Dumont Borough School District Financial Reports.

DUMONT BOROUGH 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
<b>General Fund:</b>										
Restricted	\$ 3,754,580	\$ 3,638,769	\$ 4,372,239	\$ 5,183,601	\$ 5,683,546	\$ 6,172,052	\$ 6,243,077	\$ 8,361,237	\$ 8,611,988	\$ 9,186,579
Assigned	1,567,822	1,873,071	3,257,580	4,016,335	2,232,597	2,456,844	2,647,217	1,833,322	3,243,404	3,407,013
Unassigned	360,468	294,325	179,633	252,923	266,709	481,296	242,447	1,355,435	1,719,109	659,876
<b>Total General Fund</b>	<b>\$ 5,682,870</b>	<b>\$ 5,806,165</b>	<b>\$ 7,809,452</b>	<b>\$ 9,452,859</b>	<b>\$ 8,182,852</b>	<b>\$ 9,110,192</b>	<b>\$ 9,132,741</b>	<b>\$ 11,549,994</b>	<b>\$ 13,574,501</b>	<b>\$ 13,253,468</b>
<b>All Other Governmental Funds:</b>										
Nonspendable:										
Permanent Fund						\$ 1,021,508	\$ 1,015,521	\$ 1,000,000	\$ 1,026,533	\$ 1,013,745
Restricted for:										
Special Revenue Fund										
Capital Projects Fund	\$ 1,788,535	\$ 242,092	\$ 164,038	\$ 103,776			237,201	214,750	259,113	280,751
Debt Service Fund	1	4,295	4,294							
Unassigned, Reported In:										
Capital Projects Fund	1,481,176	2,514,657	1,889,862	212,485						
<b>Total All Other Governmental Funds</b>	<b>\$ 3,269,712</b>	<b>\$ 2,761,044</b>	<b>\$ 2,058,194</b>	<b>\$ 316,261</b>	<b>\$ -0-</b>	<b>\$ 1,021,508</b>	<b>\$ 1,252,722</b>	<b>\$ 1,214,750</b>	<b>\$ 1,285,646</b>	<b>\$ 1,294,496</b>
<b>Total All Governmental Funds</b>	<b>\$ 8,952,582</b>	<b>\$ 8,567,209</b>	<b>\$ 9,867,646</b>	<b>\$ 9,769,120</b>	<b>\$ 8,182,852</b>	<b>\$ 10,131,700</b>	<b>\$ 10,385,463</b>	<b>\$ 12,764,744</b>	<b>\$ 14,860,147</b>	<b>\$ 14,547,964</b>

Source: Dumont Borough School District Financial Reports.

DUMONT BOROUGH 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
<b>Revenues:</b>										
Tax Levy	\$ 34,058,974	\$ 34,710,010	\$ 35,296,884	\$ 35,884,909	\$ 36,583,968	\$ 37,300,413	\$ 38,017,817	\$ 38,717,540	\$ 38,543,346	\$ 38,495,099
Tuition Charges	2,723	3,433				17,238				
Interest Earnings	25,131	17,711	24,237	29,942	38,558	116,107	93,634	3,627	7,798	131,074
Restricted Miscellaneous Revenue										
Miscellaneous Revenue	509,786	147,670	232,179	588,577	135,303	1,149,413	128,189	276,186	575,691	591,383
State Sources	12,878,148	12,229,971	12,329,755	12,402,865	12,536,573	16,166,795	16,838,402	18,462,641	21,924,931	23,469,523
Federal Sources	802,115	795,319	881,220	853,447	818,623	872,034	748,963	1,202,949	1,346,670	1,938,978
Total Revenue	48,276,877	47,904,114	48,764,275	49,759,740	50,113,025	55,622,000	55,827,005	58,728,129	62,536,307	64,883,810
<b>Expenditures:</b>										
Instruction:										
Regular Instruction	14,742,046	14,374,284	14,101,417	14,371,981	16,106,686	14,556,653	15,049,547	15,503,666	17,133,884	17,133,884
Special Education Instruction	2,870,123	2,830,992	2,978,638	3,029,626	3,148,149	3,004,959	3,256,093	3,341,840	2,913,598	2,913,598
Other Special Instruction								1,309,761	1,435,175	1,435,175
Other Instruction	1,805,295	1,855,977	1,918,067	1,900,647	2,073,056	1,968,128	2,082,481	699,989	778,807	778,807
Support Services:										
Tuition	4,561,076	4,415,235	4,107,192	3,825,146	5,083,155	4,747,207	5,071,557	5,213,795	5,863,352	7,036,755
Student and Instruction Related Services	3,228,965	3,138,379	3,222,633	3,188,766	3,380,590	3,344,563	3,512,206	3,591,289	3,774,151	4,657,675
School Administrative Services	2,363,710	2,425,770	2,390,323	2,463,528	2,520,526	2,576,286	2,617,682	2,645,865	2,712,217	2,799,756
General Administrative Services	1,249,479	1,262,262	1,415,673	1,450,134	1,439,607	1,452,759	1,623,141	735,028	713,586	655,324
Central Services								458,829	460,502	467,666
Administrative Information Technology								451,859	468,359	479,674
Plant Operations and Maintenance	3,835,731	3,927,273	4,071,716	4,286,313	4,063,619	4,491,010	4,061,787	4,186,563	4,701,309	4,748,100
Pupil Transportation	755,947	718,579	793,706	804,021	808,689	879,848	781,104	586,208	845,410	1,370,365
Unallocated Benefits	10,271,071	9,271,624	9,222,444	9,542,873	9,960,572	13,890,105	14,991,230	15,283,100	17,478,079	18,320,393
Special Schools	38,145	41,719	41,864	44,806	29,925	34,270	29,340			
Charter Schools	33,303	16,082	80,028	81,379	72,553	73,268	67,830	65,367	58,149	32,768
Capital Outlay	757,498	2,191,878	1,369,429	3,567,628	1,254,370	876,121	1,291,246	516,604	588,315	828,758
Debt Service:										
Principal	1,140,000	1,295,000	1,180,000	1,225,000	1,275,000	1,345,000	1,405,000	1,445,000	1,340,000	1,355,000
Interest and Other Charges	664,608	510,926	558,695	521,420	482,795	432,975	380,015	314,085	245,755	182,295
Total Expenditures	48,316,997	48,275,979	47,451,824	50,303,266	51,699,292	53,673,152	56,220,258	56,348,848	61,510,648	65,195,993
Excess (Deficiency) of revenues over (under) expenditures	(40,120)	(371,865)	1,312,451	(543,526)	(1,586,267)	1,948,848	(393,253)	2,379,281	1,025,659	(312,183)



DUMONT BOROUGH 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
Other Financing sources (uses)										
Financed Purchases (Non-budgeted)	\$ 25,460			\$ 445,000						
Lease Purchase Agreements	1,678,241	\$ (13,508)		16,782,401						
New Jersey School Development Authority Grants	1,667,986			1,667,986						
New Jersey School Development Authority Grants - Cancelled			\$ (12,014)							
Total other financing sources (uses)	3,371,687	(13,508)	(12,014)	18,895,387						
Net Change in Fund Balances	\$ 3,331,567	\$ (385,373)	\$ 1,300,437	\$ 18,351,861	\$ (1,586,267)	\$ 1,948,848	\$ (393,233)	\$ 2,379,281	\$ 1,025,659	\$ (312,183)
Debt Service as a Percentage of Noncapital Expenditures	3.79 %	3.92 %	3.77 %	3.74 %	3.48 %	3.37 %	3.25 %	3.15 %	2.60 %	2.39 %

DUMONT BOROUGH 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	Rentals - Use of Facilities	Lease Purchase Proceeds	School Enrichment	Preschool Inclusion Fee	Other	Restricted		Total
								Unemployment	Compensation	
2014	\$ 25,131	\$ 2,723	\$ 25,000	\$	\$ 41,860	\$ 70,100	\$ 372,826	\$	\$	\$ 537,640
2015	17,711	3,433	27,586		41,720	68,440	9,924			168,814
2016	24,237		112,780		44,880	67,330	7,189			256,416
2017	29,942		25,000	\$ 445,000	44,965	63,687	9,924			618,519
2018	38,558		25,000		31,170	68,450	10,683			173,861
2019	94,600	17,238	26,250		34,270	69,670	19,223			261,251
2020	79,620		27,000		29,340	59,678	12,171			207,809
2021	3,627					48,420	16,766	\$ 81,949	\$	150,762
2022	7,798		27,800			56,180	53,891	118,518		264,187
2023	264,027		28,350			81,775	14,675	26,037		414,864

Source: Dumont Borough School District records.

DUMONT BOROUGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
LAST TEN YEARS  
UNAUDITED

Year Ended December 31,	Vacant Land		Residential		Farm		Commercial			Industrial		Apartment		Total Assessed		Public		Net Valuation		Total Direct		Estimated Actual (County Equalized Value)
					Regular									Value	Utilities <sup>a</sup>	Taxable	School Tax	Rate <sup>b</sup>	Value			
2013	\$ 896,500	\$ 1,527,693,640	\$ 1,100	\$ 93,990,100	\$ 5,877,600	\$ 61,131,600	\$ 1,689,590,540	\$ 114	\$ 1,689,590,654	\$ 1,997	\$ 1,921,251,025											
2014	1,369,500	1,527,922,840	1,100	93,790,100	5,877,600	60,617,800	1,689,578,940	114	1,689,579,054	2.036	1,858,447,895											
2015	1,536,500	1,528,500,940		93,503,400	5,877,600	60,637,700	1,690,056,140	93	1,690,056,233	2.071	1,822,663,352											
2016	1,763,400	1,528,291,040		93,442,300	5,803,300	59,758,400	1,689,058,440	89	1,689,058,529	2.107	1,890,027,952											
2017	1,887,700	1,528,265,740		92,890,500	5,778,300	59,758,400	1,688,580,640		1,688,580,640	2.146	1,971,858,768											
2018	2,051,700	1,527,454,240		94,030,500	5,778,300	59,610,100	1,688,924,840		1,688,924,640	2.188	2,005,008,702											
2019 *	1,911,400	1,528,415,340		94,013,200	5,778,300	59,643,700	1,689,761,940		1,689,761,940	2.229	2,070,497,368											
2020	1,277,000	1,529,573,340		94,101,400	5,778,300	59,648,200	1,690,378,240		1,690,378,240	2.270	2,148,782,254											
2021	1,127,000	1,531,291,540		93,444,500	5,778,800	59,648,200	1,691,290,040		1,691,290,040	2.284	2,239,750,952											
2022	1,077,000	1,533,153,840		93,386,300	5,497,900	59,648,200	1,692,763,240		1,692,763,240	2.274	2,342,077,600											

\* - Revaluation effective.

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

<sup>b</sup> Tax rates are per \$100 of assessed value.

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.

DUMONT BOROUGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
UNAUDITED

Year Ended December 31,	Dumont Public Schools Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Dumont	Bergen County	
2013	1.891	1.060	1.997	0.990	0.261	3.248
2014	1.929	0.107	2.036	1.005	0.257	3.298
2015	1.964	0.107	2.071	1.033	0.260	3.364
2016	2.007	0.100	2.107	1.061	0.275	3.443
2017	2.046	0.100	2.146	1.085	0.294	3.525
2018	2.088	0.102	2.188	1.116	0.290	3.594
2019	* 2.127	0.102	2.229	1.142	0.298	3.669
2020	2.169	0.101	2.270	1.173	0.316	3.759
2021	2.194	0.090	2.284	1.246	0.333	3.863
2022	2.187	0.087	2.274	1.274	0.333	3.881

\* - Revaluation effective

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

<sup>b</sup> Rates for debt service are based on each year's requirements.

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.

Source: Municipal Tax Collector and School Business Administrator

DUMONT BOROUGH SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2022		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

NOT AVAILABLE

	2013		
Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

NOT AVAILABLE

N/A - Not Available

Source: Municipal Tax Assessor

DUMONT BOROUGH SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy<sup>a</sup></u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2014	\$ 34,058,974	\$ 34,058,974	100.00 %	-0-
2015	34,710,010	34,710,010	100.00 %	-0-
2016	35,296,884	35,296,884	100.00 %	-0-
2017	35,884,909	35,884,909	100.00 %	-0-
2018	36,583,968	36,583,968	100.00 %	-0-
2019	37,300,413	37,300,413	100.00 %	-0-
2020	38,017,817	38,017,817	100.00 %	-0-
2021	38,717,540	38,717,540	100.00 %	-0-
2022	38,543,346	38,543,346	100.00 %	-0-
2023	38,495,099	38,495,099	100.00 %	-0-

<sup>a</sup> 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: School District records including the Certificate and Report of School Taxes (A4F form)

DUMONT BOROUGH SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Business- Type Activities	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Capital Leases	Finance Purchase			
2014	\$ 14,285,000	\$ 1,639,261	\$ -0-	\$ 15,924,261	1.22 %	\$ 903
2015	12,990,000	1,162,935	-0-	14,152,935	1.04 %	800
2016	11,810,000	724,440	-0-	12,534,440	0.90 %	710
2017	10,585,000	738,466	-0-	11,323,466	0.79 %	640
2018	9,310,000	405,177	-0-	9,715,177	0.65 %	552
2019	7,965,000	179,289	-0-	8,144,289	0.53 %	465
2020	6,560,000	90,248	-0-	6,650,248	0.41 %	378
2021	5,115,000	-0-	-0-	5,115,000	0.29 %	281
2022	3,775,000	-0-	-0-	3,775,000	0.21 %	208
2023	2,420,000	-0-	-0-	2,420,000	0.14 %	133

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

<sup>b</sup> Includes Early Retirement Incentive Loan Revenue Bonds and Energy Savings Improvement Bonds

Note: Details regarding the District's Outstanding Debt can be found in the Notes to the Financial Statements.

Source: Dumont School District Financial Reports

DUMONT BOROUGH 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 Net Valuation Taxable <sup>b</sup>	Per Capita <sup>c</sup>
	General Obligation Bonds <sup>a</sup>	Deductions	Net General Bonded Debt Outstanding		
2014	\$ 14,285,000	\$ -0-	\$ 14,285,000	0.85 %	\$ 810
2015	12,990,000	-0-	12,990,000	0.77 %	735
2016	11,810,000	-0-	11,810,000	0.70 %	669
2017	10,585,000	-0-	10,585,000	0.63 %	599
2018	9,310,000	-0-	9,310,000	0.55 %	529
2019	7,965,000	-0-	7,965,000	0.47 %	455
2020	6,560,000	-0-	6,560,000	0.39 %	373
2021	5,115,000	-0-	5,115,000	0.30 %	281
2022	3,775,000	-0-	3,775,000	0.22 %	208
2023	2,420,000	-0-	2,420,000	0.14 %	133

<sup>a</sup> Includes Early Retirement Incentive Loan Revenue Bonds

<sup>b</sup> See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

<sup>c</sup> See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Note: Details regarding the District's Outstanding Debt can be found in the Notes to the Financial Statements.

Source: Dumont School District Financial Reports



DUMONT BOROUGH SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Borough of Dumont General Debt	\$ 45,501,811	100%	\$ 45,501,811
Bergen County General Obligation Debt	977,925,631	1.141%	<u>11,160,648</u>
Subtotal, Overlapping Debt as of December 31, 2022			56,662,459
Dumont Public Schools Direct Debt			<u>3,775,000</u>
Total Direct And Overlapping Debt			<u>\$ 60,437,459</u>

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

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 Dumont. 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.

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

DUMONT BOROUGH SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION,  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2023

	Equalized Valuation Basis
	2020      \$ 2,236,245,853
	2021                      2,324,158,362
	2022                      2562851234
	\$ 7,123,255,449
Average Equalized Valuation of Taxable Property	\$ 2,374,418,483
Debt Limit (4% of Average Equalization Value)	\$ 94,976,739 <sup>a</sup>
Net Bonded School Debt	2,420,000
Legal Debt Margin	\$ 92,556,739

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 77,467,283	\$ 74,617,962	\$ 74,199,035	\$ 75,720,714	\$ 78,153,596
Total Net Debt Applicable to Limit	14,285,000	12,990,000	11,810,000	10,585,000	9,310,000
Legal Debt Margin	\$ 63,182,283	\$ 61,627,962	\$ 62,389,035	\$ 65,135,714	\$ 68,843,596
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.44 %	17.41 %	15.92 %	13.98 %	11.91 %

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 80,530,442	\$ 82,870,741	\$ 85,989,370	\$ 89,415,116	\$ 94,976,739
Total Net Debt Applicable to Limit	7,965,000	6,560,000	5,115,000	3,775,000	2,420,000
Legal Debt Margin	\$ 72,565,442	\$ 76,310,741	\$ 80,874,370	\$ 85,640,116	\$ 92,556,739
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.89 %	7.92 %	5.95 %	4.22 %	2.55 %

<sup>a</sup> 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

DUMONT BOROUGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Year</u>	<u>Population <sup>a</sup></u>	<u>Bergen County Per Capita Personal Income <sup>b</sup></u>	<u>Borough of Dumont Personal Income <sup>c</sup></u>	<u>Unemployment Rate <sup>d</sup></u>
2014	17,640	\$ 73,883	\$ 1,303,296,120	5.2 %
2015	17,681	77,323	1,367,147,963	4.5 %
2016	17,656	78,836	1,391,928,416	4.1 %
2017	17,685	81,024	1,432,909,440	3.8 %
2018	17,615	85,191	1,500,639,465	3.0 %
2019	17,518	88,241	1,545,805,838	2.6 %
2020	17,581	91,972	1,616,959,732	9.3 %
2021	18,196	97,343	1,771,253,228	5.6 %
2022	18,182	97,343 *	1,769,890,426 ***	3.0 %
2023	18,182 **	97,343 *	1,769,890,426 ***	N/A

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

N/A - Information unavailable.

Source: <sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>c</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

DUMONT BOROUGH SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS, COUNTY OF BERGEN  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Employer	2023		
	Employees	Rank (Optional)	Percentage of Total Employment
Hackensack University Medical Center	N/A	1	N/A
Valley Health Systems, Inc.	N/A	2	N/A
Bio-Reference Laboratories	N/A	3	N/A
Express Scripts	N/A	4	N/A
Quest Diagnostics	N/A	5	N/A
KPMG LLP	N/A	6	N/A
Englewood Hospital and Medical	N/A	7	N/A
Englewood Hospital Home Health Care	N/A	8	N/A
Unilever Best Foods	N/A	9	N/A
Stryker	N/A	10	N/A

Employer	2014		
	Employees	Rank (Optional)	Percentage of Total Employment
Hackensack University Medical Center	N/A	1	N/A
Valley Health Systems, Inc.	N/A	2	N/A
Medco Solutions, Inc.	N/A	3	N/A
Quest Diagnostics	N/A	4	N/A
Bio-Reference Laboratories	N/A	5	N/A
Englewood Hospital and Medical	N/A	6	N/A
Becton Dickinson and Co	N/A	7	N/A
Englewood Hospital Home Health Care	N/A	8	N/A
Unilever Best Foods	N/A	9	N/A
Stryker	N/A	10	N/A

N/A - Information is not available.

Source: County of Bergen

DUMONT BOROUGH 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	190	191	188	186	184	183	179	179	182	184
Special Education	5	5	5	5	6	7	7	7	7	7
Other Instruction	15	15	19	19	23	23	23	23	23	24
Support Services:										
Student & Instruction Related Services	50	50	50	52	58	58	61	61	63	65
General Administrative Services	3	3	3	3	3	3	3	3	3	3
School Administrative Services	22	22	22	22	22	22	22	22	22	22
Other Administrative Services	2	2	2	2	2	2	2	2	2	2
Central Services	2	2	2	2	2	2	2	2	2	2
Administrative Information Technology	3	3	3	3	3	3	3	3	3	3
Plant Operations and Maintenance	34	34	34	34	34	34	34	34	34	34
Pupil Transportation	6	6	6	7	7	7	7	7	7	7
Other Support Services	4	4	4	4	4	4	4	4	5	5
<b>Total</b>	<b>336</b>	<b>337</b>	<b>338</b>	<b>339</b>	<b>348</b>	<b>348</b>	<b>347</b>	<b>347</b>	<b>353</b>	<b>358</b>

Source: Dumont Borough School District Personnel records.

DUMONT BOROUGH SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment <sup>d</sup>	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Teacher/Pupil Ratio		Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance (ADA) <sup>d</sup>	% Change Average Daily Enrollment	Student Attendance Percentage
						Elementary School	High School				
2014	2,637	\$ 45,754,892	\$ 17,351	4.74 %	215	1:11.5	1:11.7	2,613	2,508	-1.91 %	95.99 %
2015	2,610	44,278,175	16,965	-2.22 %	216	1:12.1	1:12.0	2,578	2,473	-1.35 %	95.93 %
2016	2,552	44,343,700	17,376	2.42 %	217	1:11.8	1:12.0	2,552	2,499	-1.01 %	97.93 %
2017	2,512	44,989,218	17,910	3.07 %	215	1:11.1	1:12.0	2,487	2,380	-2.56 %	95.71 %
2018	2,526	51,474,100	20,378	13.78 %	213	1:11.1	1:12.0	2,489	2,380	0.11 %	95.61 %
2019	2,514	51,019,056	20,294	-0.41 %	213	1:11.5	1:12.0	2,467	2,372	-0.90 %	96.16 %
2020	2,556	53,143,997	20,792	2.45 %	209	1:11.8	1:12.0	2,532	2,442	2.62 %	96.48 %
2021	2,460	54,073,159	21,981	8.31 %	209	1:11.8	1:12.0	2,464	2,393	-2.52 %	97.11 %
2022	2,473	58,266,834	23,561	13.32 %	212	1:11.5	1:12.0	2,483	2,343	0.77 %	94.35 %
2023	2,555	62,829,940	24,591	11.87 %	214	1:11.5	1:12.0	2,555	2,408	2.90 %	94.23 %

<sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay.

<sup>b</sup> The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost per Pupil may be different from other Cost per Pupil calculations.

<sup>c</sup> Teaching staff includes only full-time equivalents of certificated staff.

<sup>d</sup> Enrollment, average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: Dumont Borough School District records.

DUMONT BOROUGH SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

District Building	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Lincoln Elementary School (K-5)(1911)	40,900	40,900	40,900	40,900	40,900	40,900	40,900	40,900	40,900	40,900
Square Feet	234	234	234	234	234	234	234	234	234	234
Capacity (students)	209	200	200	183	181	152	163	156	162	162
Enrollment	55,880	55,880	55,880	55,880	55,880	55,880	55,880	55,880	55,880	55,580
Grant Elementary School (K-5)(1911)	446	446	446	446	446	446	446	446	446	446
Square Feet	368	362	362	366	370	363	387	396	444	444
Capacity (students)	68,452	68,452	68,452	68,452	68,452	68,452	68,452	68,452	68,452	68,452
Enrollment	519	519	519	519	519	519	519	519	519	519
Lovell J. Honiss School (K-8)(1955)	679	667	667	623	614	611	643	635	643	643
Square Feet	58,612	58,612	58,612	58,612	58,612	58,612	58,612	58,612	58,612	58,612
Capacity (students)	514	514	514	514	514	514	514	514	514	514
Enrollment	515	533	533	523	520	521	537	492	468	468
Dumont High School (1929)	142,756	142,756	142,756	142,756	142,756	142,756	142,756	142,756	142,756	142,756
Square Feet	530	530	530	530	530	530	530	530	530	530
Capacity (students)	830	807	807	808	800	801	815	781	756	838
Enrollment	6,501	6,501	6,501	6,501	6,501	6,501	6,501	6,501	6,501	6,501
Central Administration (1977)	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160	2,160
Square Feet										
Maintenance Building (1992)										
Square Feet										

Number of Schools at June 30, 2023  
 Elementary K-5 = 2  
 Elementary K-8 = 2  
 High School = 1  
 Other = 0

Note: Enrollment is based on the annual October district count.  
 Source: Dumont Borough School District Facilities Office.

DUMONT BOROUGH SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS

Undistributed Expenditures - Required  
 Maintenance For School Facilities  
 11-000-261-xxx

Fiscal Year Ended June 30,	Dumont High School	Grant School	Lovell J. Honiss School	Lincoln School	Charles A. Selzer School	Total
2014	\$ 170,671	\$ 66,807	\$ 81,837	\$ 48,898	\$ 70,073	\$ 438,286
2015	165,022	64,596	79,129	47,279	67,754	423,780
2016	164,303	63,193	80,045	46,342	67,406	421,289
2017	174,058	66,945	84,798	49,094	71,408	446,303
2018	193,985	74,610	94,506	54,713	79,584	497,398
2019	200,490	97,675	82,253	77,112	56,547	514,077
2020	168,537	64,822	82,108	47,535	69,144	432,146
2021	198,027	76,164	96,474	55,852	81,242	507,759
2022	195,277	75,107	95,134	55,077	80,115	500,710
2023	187,689	73,074	89,998	53,774	77,060	481,595

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

Source: Dumont Borough School District records.



DUMONT BOROUGH SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Northeast School Board Insurance Group:		
Property - Blanket Building & Contents	\$ 103,051,562	\$ 5,000
Comprehensive General Liability	2,000,000	
Employee Benefits Liability	1,000,000	1,000
Boiler and Machinery	100,000,000	1,000
Environmental Legal Liability	1,000,000	15,000
Commercial Automobile Liability	1,000,000	1,000/1,000
Worker's Compensation (Employer's Liability)	1,000,000	
Commercial Umbrella Liability	9,000,000	10,000
Pollution Liability	4,000,000	15,000
Cyber Liability	6,000,000	15,000/25,000
Excess Liability (Excess of 10,800,000 unshared)	30,000,000	
Excess Liability (Excess of 40,000,000 shared)	25,000,000	
School Board Legal Liability	1,000,000	10,000/25,000
Employee Dishonesty	500,000	5,000
Surety Bonds:		
Board Secretary	500,000	
School Accident Insurance through Bollinger Speciality Group	5,000,000	
Volunteers of Boards of Education through Bollinger Speciality Group	250,000	

Source: Dumont Borough 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 Auditors' Report

The Honorable President and Members  
of the Board of Education  
Borough of Dumont School District  
County of Bergen, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Dumont Borough School District (the "District"), in the County of Bergen, 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 October 14, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members  
of the Board of Education  
Borough of Dumont School District  
Page 2

### **Report on Compliance and Other Matters**

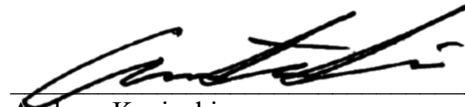
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

October 14, 2023  
Mount Arlington, New Jersey

NISIVOCCIA LLP



---

Andrew Kucinski  
Licensed Public School Accountant #2684  
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  
and Report on Internal Control Over Compliance Required by the Uniform Guidance and NJOMB 15-08

Independent Auditors' Report

The Honorable President and Members  
of the Board of Education  
Dumont Borough School District  
County of Bergen, New Jersey

**Report on Compliance for Each Major Federal and State Program**

***Opinion on Each Major Federal and State Program***

We have audited the Dumont Borough 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  
Dumont Borough 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. *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

The Honorable President and Members  
of the Board of Education  
Dumont Borough School District  
Page 3

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.

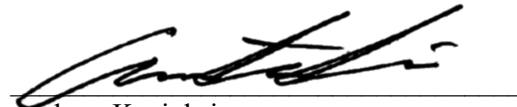
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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.

October 14, 2023  
Mount Arlington, New Jersey

NISIVOCCIA LLP



Andrew Kucinski  
Licensed Public School Accountant #2684  
Certified Public Accountant

DUMONT BOROUGH 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			Balance at June 30, 2023		
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Expenditures	Budgetary Accounts Receivable	Budgetary Unearned Revenue
<u>U.S. Department of Agriculture:</u>										
Passed-through State Department of Agriculture:										
Child Nutrition Cluster:										
Food Distribution Program	10.555	N/A	7/1/21-6/30/22	\$ 23,271	\$	\$ 1,862	\$	(1,862)		
Food Distribution Program	10.555	N/A	7/1/22-6/30/23	24,026			24,026	(22,702)		\$ 1,324
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	144,790			117,224	(144,790)	\$ (27,566)	
COVID-19 - Seamless Summer Option	10.555	N/A	7/1/21-6/30/22	960,217	\$ (96,821)		96,821			
COVID-19 - Supply Chain Assistance Award	10.555	N/A	7/1/22-6/30/23	125,093			125,093	(51,165)		73,928
Total Child Nutrition Cluster					(96,821)	1,862	363,164	(220,519)	(27,566)	75,252
Total U.S. Department of Agriculture					(96,821)	1,862	363,164	(220,519)	(27,566)	75,252
<u>U.S. Department of Treasury:</u>										
ASCERS	21.03	N/A	7/1/22-6/30/23	40,704			40,704	(40,704)		
Total U.S. Department of Treasury							40,704	(40,704)		
<u>U.S. Department of Education:</u>										
<u>Special Revenue Fund:</u>										
Passed-through State Department of Education:										
Elementary and Secondary Education Act:										
Title I	84.010	ESEA113022	7/1/21-9/30/22	214,952	(85,933)		85,933			
Total Title I	84.010	ESEA113023	7/1/22-9/30/23	152,560			114,406	(152,560)	(38,154)	
Title II A	84.367	ESEA113022	7/1/21-9/30/22	41,404	(15,350)		15,350			
Total Title II	84.367	ESEA113023	7/1/22-9/30/23	47,786			27,900	(47,786)	(19,886)	
Title III	84.365	ESEA113022	7/1/21-9/30/22	13,785	(6,851)		6,851			
Total Title III	84.365	ESEA113023	7/1/22-9/30/23	13,522			6,829	(17,570)	(10,741)	
Title IV	84.424	ESEA113023	7/1/22-9/30/23	12,478	(6,851)		13,680	(17,570)	(10,741)	
Total Title IV							9,421	(12,478)	(3,057)	
Education Stabilization Fund:										
COVID-19 - CRRSA - ESSER II	84.425D	N/A	3/13/20-9/30/23	871,123	(3,375)		307,157	(648,262)	(344,480)	
COVID-19 - CRRSA - Learning Acceleration	84.425D	N/A	3/13/20-9/30/23	55,905	(1)		1	(376)	(376)	
COVID-19 - CRRSA - Mental Health	84.425D	N/A	3/13/20-9/30/23	45,000	(1)		1			
COVID-19 - ARP - ESSER III	84.425U	N/A	3/13/20-9/30/24	1,957,792	(106,665)		378,785	(281,575)	(9,455)	
COVID-19 - ARP - Accelerated Learning Coaching and Educator Support	84.425U	N/A	3/13/20-9/30/24	214,873	(25,500)		106,679	(81,179)		
COVID-19 - ARP - Evidence-Based Summer Learning and Enrichment Activities	84.425U	N/A	3/13/20-9/30/24	40,000	(3,781)		3,781			
COVID-19 - NITSS Mental Health Support Staffing	84.425U	N/A	3/13/20-9/30/24	45,000			18,209	(19,209)	(1,000)	
Total Education Stabilization Fund					(139,323)		814,613	(1,030,601)	(355,311)	



**DUMONT BOROUGH 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			Balance at June 30, 2023		
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Cash Received	Budgetary Accounts Receivable	Budgetary Unearned Revenue	Amounts Provided to Subrecipients
<b>U.S. Department of Education: (Cont'd)</b>										
<b>Special Revenue Fund: (Cont'd)</b>										
<b>Passed-through State Department of Education:</b>										
<b>Special Education Cluster:</b>										
	84.027	IDEA113022	7/1/21-9/30/22	\$ 559,850	\$ (24,686)	\$ 24,686				
	84.027	IDEA113022	7/1/22-9/30/23	578,632		547,369	\$ (578,632)	\$ (31,263)		
	84.173	IDEA113022	7/1/21-9/30/22	41,404	(660)	660				
	84.173	IDEA113022	7/1/22-9/30/23	47,786		22,648	(22,719)	(71)		
	84.027X	IDEA113022	3/13/20-9/30/24	109,032	(6,584)	6,584				
<b>Total Special Education Cluster</b>					<b>(31,930)</b>	<b>601,947</b>	<b>(601,351)</b>	<b>(31,334)</b>		
<b>Subtotal - Special Revenue Fund</b>					<b>(279,387)</b>	<b>1,683,250</b>	<b>(1,862,346)</b>	<b>(458,483)</b>		
<b>Total U.S. Department of Education</b>					<b>(279,387)</b>	<b>1,683,250</b>	<b>(1,862,346)</b>	<b>(458,483)</b>		
<b>U.S. Department of Health and Human Services:</b>										
<b>Medicaid Cluster:</b>										
	93.778	N/A	7/1/21-6/30/22	43,555		43,555	(43,555)			
	93.778	N/A	1/1/21-12/31/21	4,571		4,571	(4,571) *			
<b>Total U.S. Department of Health and Human Services/Medicaid Cluster</b>						<b>48,126</b>	<b>(48,126)</b>			
<b>Total Federal Awards</b>					<b>\$ (376,208)</b>	<b>\$ 1,862</b>	<b>\$ 2,135,244</b>	<b>\$ (486,049)</b>	<b>\$ 75,252</b>	<b>\$ -0-</b>

N/A - Not Applicable  
\* - Expended in Prior Year

**DUMONT BOROUGH SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF STATE AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

State Grantor/Program Title	Project Number	Grant Period	Award Amount	Balance at June 30, 2022		Balance at June 30, 2023		MEMO	
				Budgetary Accounts Receivable	Cash Received	Budgetary Expenditures	GAAP Accounts Receivable	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education:</b>									
General Fund State Aid:									
Equalization Aid	22-495-034-5120-078	7/1/21-6/30/22	\$ 7,517,549	\$ (724,245)	\$ 724,245	\$ -	\$ -	\$ 7,517,549	
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	222,500	(21,436)	21,436	-	-	222,500	
Special Education Aid	22-495-034-5120-089	7/1/21-6/30/22	1,819,573	(175,299)	175,299	-	-	1,819,573	
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	139,307	(13,421)	13,421	-	-	139,307	
Extraordinary Special Education Costs Aid	22-495-034-5120-044	7/1/21-6/30/22	1,138,534	(1,138,534)	1,138,534	-	-	1,138,534	
Reimbursed TPAF Social Security Contributions	22-495-034-5094-003	7/1/21-6/30/22	1,518,754	(73,545)	73,545	-	-	1,518,754	
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	8,845,639		7,982,255	\$ (8,845,639)	\$ -	8,845,639	
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	222,500		200,783	(22,500)		222,500	
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	1,819,573		1,641,972	(181,957)		1,819,573	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	139,307		125,710	(13,907)		139,307	
Extraordinary Special Education Costs Aid	23-495-034-5120-044	7/1/22-6/30/23	1,068,253			(1,068,253)		1,068,253	
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,655,916		1,655,916	(1,655,916)		1,655,916	
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	2,021,546		2,021,546	(2,021,546)		2,021,546	
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	7,590,030		7,590,030	(7,590,030)		7,590,030	
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	105,303		105,303	(105,303)		105,303	
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	2,217		2,217	(2,217)		2,217	
<b>Subtotal - General Fund</b>				<b>(2,146,480)</b>	<b>23,472,212</b>	<b>(23,470,284)</b>	<b>(1,068,253)</b>	<b>(2,144,552)</b>	<b>24,451,489</b>
<b>Debt Service Fund Aid:</b>									
Debt Service Aid - State Support	23-495-034-5120-125	7/1/22-6/30/23	57,848		57,848	(57,848)		57,848	
<b>Subtotal - Debt Service Fund</b>									<b>57,848</b>
<b>Food Service Fund:</b>									
State School Lunch Program	20-100-010-3350-023	7/1/22-6/30/23	6,564	(2,228)	5,334	(6,564)	(1,230)	(1,230)	6,564
COVID 19 - Seamless Summer Option	22-100-010-3350-023	7/1/21-6/30/22	22,307		2,228				22,307
<b>Subtotal - Food Service Fund</b>									<b>28,871</b>
<b>Total State Department of Education</b>				<b>(2,148,708)</b>	<b>23,537,622</b>	<b>(23,534,696)</b>	<b>(1,069,483)</b>	<b>(2,145,782)</b>	<b>24,538,208</b>
<b>NJ Schools Development Authority:</b>									
Special Revenue Fund Aid:									
School Development Authority - Emergent and Capital Maintenance Program	N/A	7/1/22-6/30/23	60,338		60,338	(60,338)			60,338
Climate Awareness Education Grant	N/A	7/1/22-6/30/23	6,660		6,660	(6,660)			6,660
<b>Subtotal - Special Revenue Fund</b>									<b>66,998</b>
<b>Total State Awards Subject to Single Audit Determination</b>				<b>(2,148,708)</b>	<b>23,597,960</b>	<b>(23,601,694)</b>	<b>(1,069,483)</b>	<b>(2,145,782)</b>	<b>25,323,625</b>
<b>Less: State Awards Not Subject to Single Audit Major Program Determination</b>									
On-Behalf TPAF Pension System Contributions:									
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	(2,021,546)			2,021,546			
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	(7,590,030)			7,590,030			
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	(105,303)			105,303			
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	(2,217)			2,217			
<b>Subtotal - On-Behalf TPAF Pension System Contributions</b>						<b>9,719,096</b>			
<b>Total State Awards Subject to Single Audit Major Program Determination</b>							<b>(1,069,483)</b>	<b>(2,145,782)</b>	<b>25,323,625</b>

N/A - Not Applicable/Available

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. 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 payments are not recognized until the subsequent budget year due to the state deferral and recording of the last 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 (\$141,898) for the general fund and \$4,093 for the special revenue fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. The District’s Food Service Management Company was granted forgiveness on their Paycheck Protection Program (PPP). 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 were credited to NSLP participants and is included as a Federal Award in the District’s Food Service Fund. Revenue from federal and state awards is reported in the Board’s basic financial statements on a GAAP basis as presented below:

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (Cont'd)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 48,126	\$ 23,328,386	\$ 23,376,512
Special Revenue Fund	1,890,852	83,289	1,974,141
Debt Service Fund		57,848	57,848
Food Service Fund	<u>253,272</u>	<u>6,564</u>	<u>259,836</u>
Total Awards	<u>\$ 2,192,250</u>	<u>\$ 23,476,087</u>	<u>\$ 25,668,337</u>

NOTE 4. 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 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.

DUMONT BOROUGH 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:

	Assistance Listing Number/ State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
<u>Federal:</u>				
Education Stabilization Fund:				
COVID-19 - C.R.R.S.A. - Learning Acceleration	84.425D	3/13/20-9/30/23	\$ 55,905	\$ 376
COVID-19 - C.R.R.S.A. - ESSER II	84.425D	3/13/20-9/30/23	871,123	648,262
COVID-19 - ARP - ESSER III	84.425U	3/13/20-9/30/24	1,957,792	281,575
COVID-19 - ARP - Accelerated Learning Coach and Educator Support	84.425U	3/13/20-9/30/24	214,873	81,179
COVID-19 - ARP - NJTSS Mental Health Support Staffing	84.425U	3/13/20-9/30/24	45,000	19,209

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

Summary of Auditors' Results: (Cont'd)

<u>State:</u>	<u>Assistance Listing Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	\$ 8,845,639	\$ 8,845,639
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	1,819,573	1,819,573
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	139,307	139,307
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/19-6/30/20	1,655,916	1,655,916

- The threshold used for distinguishing between Type A and Type B federal and state programs was \$750,000.
- The District was not determined to be a "low-risk" auditee for federal and state programs.

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- 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.

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

Status of Prior Year Findings:

The District had no prior year audit findings.