

SCHOOL DISTRICT
OF
MANALAPAN - ENGLISHTOWN
OF MONMOUTH COUNTY

Manalapan-Englishtown Regional School District
Township of Manalapan
and the
Borough of Englishtown

ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended June 30, 2023

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

of the

Manalapan-Englishtown Regional School District
of Monmouth County

Englishtown, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

Manalapan-Englishtown Regional School District
Finance Department

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INTRODUCTORY SECTION



*Serving With Pride The
Township of Manalapan
and the
Borough of Englishtown*

*Nicole Santora, Ed.D.
Superintendent*

*Veronica Wolf
Board Secretary*

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November 9, 2023

Honorable President and
Members of the Board of Education
Manalapan-Englishtown Regional School District
County of Monmouth, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Manalapan-Englishtown Regional School District for the fiscal year ended June 30, 2023. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with Management of the District. To the best of our knowledge and belief, data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities, including the Management's Discussion and Analysis have been included.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Roster of Officials, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District, generally presented on a multi-year basis;
- The Single Audit Section – The District is required to undergo an annual audit in conformity with the provisions of the Single Audit Act of 1996, OMB Circular Uniform Guidance and NJ OMB 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

SCHOOL DISTRICT ORGANIZATION

The Manalapan-Englishtown Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards. All funds of the District are included in this report. The Manalapan-Englishtown Regional Board of Education and all its schools constitute the District's

reporting entity. The District has maintained a high quality of education, even though it is one of the largest K-8 districts in Monmouth County.

The Manalapan-Englishtown Regional School District serves the children of the Township of Manalapan and the Borough of Englishtown. The District provides a full range of programs and services appropriate to grades Pre-K through 8. An early learning center (The John I. Dawes Early Learning Center) houses the pre-K and kindergarten programs. Four elementary schools (Clark Mills, Milford Brook, Wemrock Brook, and Taylor Mills) house grades K-5. Lafayette Mills house grades 1 through 5. The Pine Brook School houses grade 6. The Manalapan-Englishtown Middle School (MEMS) houses grades 7 and 8.

Supervising district-wide goals is a district superintendent, an assistant superintendent for curriculum and human resources, a business administrator, three district-wide curriculum supervisors, a supervisor of special projects, a director of special education and a supervisor of special education. The Early Learning Center has its own principal and assistant principal. Each elementary school has its own principal and one assistant principal. Pine Brook has one principal and one assistant principal. The middle school has one principal and two assistant principals.

The Board of Education, composed of nine members, each elected to 3-year terms, meets on the first and third Tuesday of each month to determine district goals and priorities and conduct the business of the Board of Education. The Board of Education utilizes a committee structure as well as operates as a committee of the whole. All committees of the whole meetings are open to the public and begin at 7:30 p.m. and conclude at 11:30 p.m. unless the board passes a resolution to extend the meeting.

Ad-hoc advisory committees composed of representatives from the community; administration, PTA's, PTO's and Booster Club and the Township and Borough are sometimes formed to provide the Board of Education with information and input on specific issues. In the 2022-2023 school year, the Board of Education established Ad-Hoc committees for the relocation of polling locations that were located within district schools and for a possible referendum. Additionally, the district continued to seek input from community members and the PTA's regarding curriculum program offerings, and efficient use of Elemtar and Secondary School Emergency Relief (ESSER) grant funds as required by the US Department of Education guidelines. PTA's, PTO's and the Booster Club are highly active in the District and provide community support for a variety of programs and activities for the children.

To maintain communication with the various constituent groups, the District mainly utilizes its website and Facebook page. The website is updated regularly with important information for parents, such as school closures, delayed openings, medical/health alerts, new curriculum initiatives, and more. Budget information can also be found on the website. The District also communicates with parents via Blackboard Mass Notifications, a system that provides both phone and email contact options. The ability to contact the entire parent population within twenty minutes about changes in the school day, i.e., early closure, or to be able to update them in an emergency situation, is a vital component in ensuring that our communication efforts are timely, accurate, and effective.

EDUCATIONAL PROGRAM

Each of the schools in the district follows the district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality that makes up that particular school. The transition from the Common Core State Standards in Language Arts and Mathematics to the New Jersey Student Learning Standards began in 2015-16 and was completed by September of 2017.

In early 2023, the New Jersey Department of Education released its yearly Taxpayers' Guide to Education Spending for all school districts in the State. The guide compares districts with those who are similar in enrollment/configurations. The information on expenditures was taken from certified budgets on file with

the State Department of Education. This report shows that the district spends \$17,292 per pupil while the average costs for similar districts are \$19,457. Of the 72 K-8 school districts in the state with enrollments exceeding 751 children, Manalapan-Englishtown Regional ranked 19th lowest in total budgetary cost per pupil.

The following table presents the actual historical pupil enrollment, as of October 15, for the school years 2013-14 through 2022-23.

Enrollment	
School Year	As of October 15
2013-14	5,027
2014-15	5,108
2015-16	4,992
2016-17	4,987
2017-18	4,989
2018-19	4,975
2019-20	4,889
2020-21	4,642
2021-22	4,627
2022-23	4,679

ECONOMIC CONDITION AND OUTLOOK

Monmouth County is steeped in history from pre-revolutionary times to the present day. Rich in natural resources, Monmouth's deep forests, rolling countryside and miles of beautiful sandy beaches offer a perfect backdrop for the vast variety of recreational, cultural and leisure opportunities in the area. The County has horse country and thriving agricultural industry in the west, beaches and seaside resorts in the east, and a booming business community throughout. The Manalapan-Englishtown Regional School District serves students from a wide range of socioeconomic backgrounds.

Monmouth County is located in the center of the state approximately 47 miles south of New York City and 55 miles east of Philadelphia. Newark Liberty International Airport is just 40 minutes away. The public and private transportation systems include more than 2,600 miles of rails and roads, making the County accessible to virtually all of New Jersey as well as nearby New York and Philadelphia.

Because Monmouth County continues to be among the fastest growing in New Jersey, change is constant in the Manalapan-Englishtown Regional School District. Sales of both new and existing homes are occurring at a slow pace. Existing homes continue to stay on the market for a much longer period of time than a few years ago.

On Tuesday, January 17, 2012, Governor Christie signed into law A-4394/S-3148 (P.L. 2011, chapter 202), which established procedures for moving the date of a school district's annual school election from April to the General Election in November. Districts that choose to elect their school board members in November no longer have to submit their budgets for voter approval as long as it does not exceed the levy cap. Budgets that are in excess of the cap would still require voter approval. Once a school election is moved to November, no action can be taken (either by petition or resolution) to move the election back to April for four (4) years. Special Elections are still permitted in January, March, September and December should the need arise.

On Tuesday, January 17, 2012, the Manalapan-Englishtown Regional Board of Education passed a resolution moving the annual school board election to the General Election in November and effectively

eliminated the requirement for voter approval of the district school budget as long as it does not exceed the levy cap. This election had to remain in effect for a minimum of four (4) years. There has not been any discussion regarding moving the annual school board election back to April.

The District, along with all of the other public school systems in the state, will continue to face difficult economic situations in the future since the primary funding source is and will continue to be property tax revenue. The proposed budget for the fiscal year 2022-2023 was approved on May 3, 2022. Overall tax revenue for 2022-2023 was increased by 2.59%, but the increased expenditures from the growing cost of contractual salary increases, employee health care, increases in the contributions to the retirement system, and rising insurance premiums have outpaced the additional revenue. We recognize that the state is in a financial crisis and want to assure our residents that the Manalapan-Englishtown Regional School District is doing its part to maintain a responsible budget. The passage of school funding reform bill S2 has had a significant impact on the District's finances. The District will continue to investigate ways of addressing the anticipated significant reductions in state aid. The District's administration closely monitors the cost of operations and continues to look for new funding sources in order to maintain the quality education services that the district has been accustomed to providing. Manalapan-Englishtown Regional School's Foundation and the Manalapan-Englishtown Regional School District's PTA's donated generously during the 2022-2023 school year.

MAJOR INITIATIVES

The Manalapan-Englishtown Regional Schools has completed several phases of its One to One Digital Conversion Initiative. During the 2021-2022 school year additional Chromebook carts were introduced so every child had access to a Chromebook in second through eighth grade. In Kindergarten and first grade, all students had access to an IPAD or Chromebook. We also made sure to provide wireless services to those families in need. We have continued to uphold this for the 2022-2023 school year.

CAPITAL IMPROVEMENTS

During the 2022-2023 school year the following capital improvements were made with budgeted funds::

- Replacement of the security camera systems at the elementary schools
- Improvements were made to the flagpole at the Manalapan-Englishtown Middle School
- Installation of an ADA accessible ramp at the Pine Brook School
- Roof repairs were completed at several schools which extended the roof warranties by five years
- HVAC improvements were made at various buildings across the district

Additionally, the district began the total replacement of the aging district-wide phone system utilizing Stabilization Aid funding that was awarded to the district by the New Jersey Department of Education.

FUTURE CONCERNS

The impact of S2 to our district has been catastrophic. From 2018-2019 to 2023-2024 our enrollment is projected to decrease by 7%, but our state aid was decreased by 57% or \$10,740,212.

Since 2019, we have had to eliminate administrative, instructional, and support positions, replace full time employees with part-time employees, discontinue various physical plant projects, and reduce necessary purchases and supplies. We have changed hiring practices, staff health benefit plans, and health coverage waiver incentives. In addition, we can no longer support certain activities without the help of the community, including non-curricular based field trips, extracurricular activities, eighth grade graduation, and usage of our buildings and fields.

We are truly proud of the education and the school environment we are able to provide to the children of the Manalapan-Englishtown Regional School District and we feel we are one of the best districts in the

state. S2 is making it extremely difficult to keep our tradition of excellence. So far, our staff and community has taken the brunt of the effects of S2 so our students have not had to. However, as we still have this year and another year of cuts ahead of us, we will not be able to shield our students from this impact any longer as we look at more cuts to our staffing and our instructional supports.

INTERNAL 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 are compiled to allow for the preparation of financial statements in conformity with generally-accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the general fund, the special revenue funds, and the debt service 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 re-appropriations of fund balance in the subsequent year.

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 provision of the Governmental Unit 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.

RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, fidelity bonds and worker's compensation. A schedule of insurance coverage is found in Exhibit J-20.

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants. The accounting firm of Jump, Perry & Company, L.L.P. was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet requirements of the Single Audit Act of 1996, OMB Circular Uniform Guidance and NJ OMB 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 supplemental information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

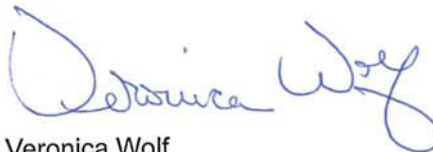
ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Manalapan-Englishtown Regional School District 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,

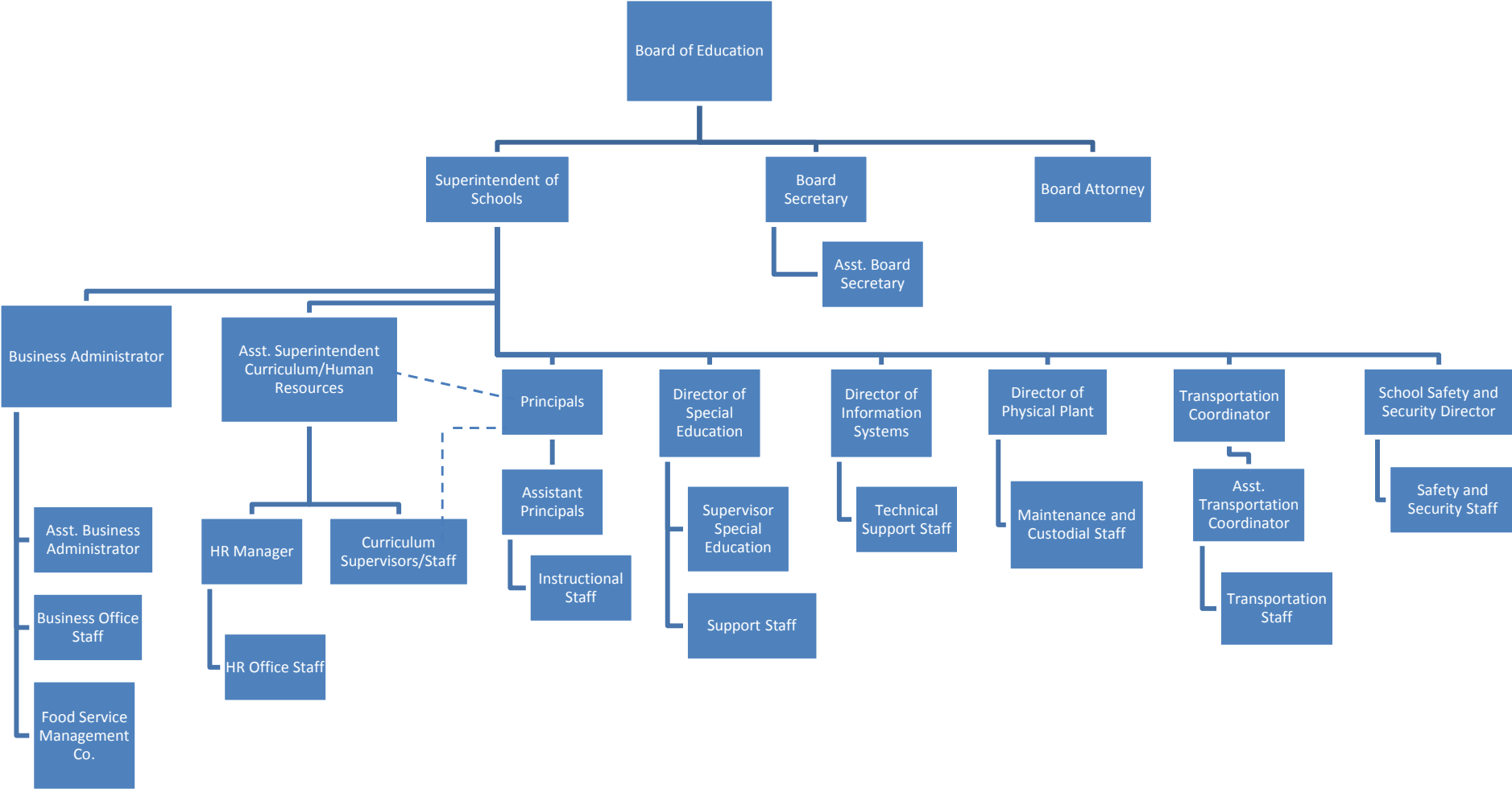


Nicole Santora, Ed.D.
Superintendent



Veronica Wolf
Board Secretary/School Business Administrator

Manalapan-Englishtown Regional School District Organizational Chart



Last Updated/Approved:
5/19/2020

Manalapan-Englishtown Regional School District
Englishtown, New Jersey

Roster of Officials
June 30, 2023

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Brian Graime, President	2024
David Kane, Vice President	2025
Gerald Bruno	2023
David Ferber	2024
Ryan Green	2025
Jesse Tossetti	2024
Ryan Urgo	2023
Dotty Porcaro	2023
Christine Parisi	2025

Other Officials

Nicole Santora, ED. D., Superintendent

Veronica Wolf, Business Administrator/Board Secretary

Kevin Slattery, Assistant Business Administrator/Assistant Board Secretary

Cleary, Giacobbe, Alfieri, Jacobs, LLC., Solicitor

Manalapan-Englishtown Regional School District
Consultants and Advisors

Architect

Fraytak, Veisz, Hopkins, Duthie PC.
1515 Lower Ferry Road
Trenton, New Jersey 08618

Audit Firm

Jump, Perry & Company., L.L.P.
12 Lexington Avenue
Toms River, New Jersey 08753

Attorney

Cleary, Giacobbe, Alfieri, Jacobs, LLC.
5 Ravine Drive
Matawan, New Jersey 07747

Official Depository

PNC Bank
109 Route 9
Marlboro, New Jersey 07726

Financial Advisor

Phoenix Advisors, LLC.
4 W Park Street
Bordentown, New Jersey 08505

Bond Council

McManimon, Scotland & Bavmann, LLC
75 Livingston Avenue
Roseland, New Jersey 07068

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Manalapan-Englishtown Regional School District
County of Monmouth
Englishtown, 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 Manalapan-Englishtown Regional School District in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Manalapan-Englishtown Regional School 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 these 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 Manalapan-Englishtown Regional School 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of Manalapan-Englishtown Regional School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal 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.

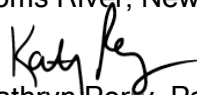
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 November 9, 2023 on our consideration of Manalapan-Englishtown Regional School 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 Manalapan-Englishtown Regional School District 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 Manalapan-Englishtown Regional School District's internal control over financial reporting and compliance.

Respectfully Submitted,

Jump, Perry and Company L.L.P.
Toms River, New Jersey


Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 9, 2023

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Manalapan-Englishtown Regional School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2023

Unaudited

The discussion and analysis of Manalapan-Englishtown Regional School District's financial performance provides an overall review of the School Board's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School Board's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School Board's financial performance.

Financial Highlights

Key financial highlights for June 30, 2023 are as follows:

Net position totaled \$58,967,825, which represents a 6.19 percent increase from June 30, 2022.

General revenues accounted for \$80,299,567 in revenue or 81.68 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$18,006,265 or 18.32 percent of total revenues of \$98,305,832.

Total assets decreased by \$4,928,966 as current assets decreased by \$1,503,090 and capital assets, net decreased by \$3,425,876.

The School Board had \$94,870,560 in expenses; only \$18,006,265 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$80,299,567 were adequate to provide for these programs.

Among major funds, the General Fund had \$88,506,853 in revenues and other financing sources and \$89,546,381 in expenditures and transfers. The General Fund's balance decreased \$1,039,528 over June 30, 2022. The General Fund's balance is \$23,967,103.

Using this Annual Comprehensive Financial Report (ACFR)

The annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Manalapan-Englishtown Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the School Board, presenting both an aggregate view of the School Board's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the School Board's most significant funds with all other non-major funds presented in total in one column. In the case of Manalapan-Englishtown Regional School District, the General Fund is by far the most significant.

Reporting the School Board as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities provide information about the activities of the entire School District and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include, but are not limited to, the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs. In the Statement of Net Position and the Statement of Activities, the School Board is divided into two kinds of activities:

Governmental Activities - All of the School Board's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities - This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Fund is reported as a business activity.

Reporting the School Board's Most Significant Funds

Fund Financial Statement

The Analysis of the School Board's major funds begins with Exhibit B-1. Fund financial reports provide detailed information about the School Board's major funds. The School Board's major governmental funds are the General Fund, Special Revenue Fund, and Debt Service Fund.

Governmental Funds

The School Board's activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities.

The School Board as a Whole

The Statement of Net Position provides the financial perspective of the School Board as a whole.

Table 1 provides a summary comparison of the School Board's net position for June 30, 2023 and 2022.

Table 1

Net Position as of June 30, 2023 and June 30, 2022

	June 30, 2023			June 30, 2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 25,546,586	\$ 1,974,350	\$ 27,520,936	\$ 27,375,019	\$ 1,649,007	\$ 29,024,026
Capital assets, net	<u>77,911,241</u>	<u>264,663</u>	<u>78,175,904</u>	<u>81,366,034</u>	<u>235,746</u>	<u>81,601,780</u>
Total assets	103,457,827	2,239,013	105,696,840	108,741,053	1,884,753	110,625,806
Deferred outflow of resources	<u>2,759,591</u>	<u>-</u>	<u>2,759,591</u>	<u>2,128,470</u>	<u>-</u>	<u>2,128,470</u>
Liabilities:						
Current liabilities	1,631,636	686,686	2,318,322	2,463,561	497,269	2,960,830
Long-term liabilities outstanding	<u>41,584,360</u>	<u>-</u>	<u>41,584,360</u>	<u>40,862,306</u>	<u>-</u>	<u>40,862,306</u>
Total liabilities	43,215,996	686,686	43,902,682	43,325,867	497,269	43,823,136
Deferred inflow of resources	<u>5,585,924</u>	<u>-</u>	<u>5,585,924</u>	<u>13,398,587</u>	<u>-</u>	<u>13,398,587</u>
Net position:						
Net investment in capital assets	75,025,050	264,663	75,289,713	74,370,391	235,746	74,606,137
Restricted	17,229,132	-	17,229,132	18,499,335	-	18,499,335
Unrestricted	<u>(34,838,684)</u>	<u>1,287,664</u>	<u>(33,551,020)</u>	<u>(38,724,657)</u>	<u>1,151,738</u>	<u>(37,572,919)</u>
Total Net Position	<u>\$ 57,415,498</u>	<u>\$ 1,552,327</u>	<u>\$ 58,967,825</u>	<u>\$ 54,145,069</u>	<u>\$ 1,387,484</u>	<u>\$ 55,532,553</u>

The unrestricted net position is a negative balance due to the unfunded liabilities for compensated absences and PERS pension. The District expects to be able to fund these liabilities as they come due yearly.

The School Board's combined net position was \$58,967,825 on June 30, 2023. This is a change of 6.19% from the previous year.

Table 2 provides a comparison analysis of School Board's changes in net position from fiscal years June 30, 2023 and 2022.

Table 2

Changes in Net Position

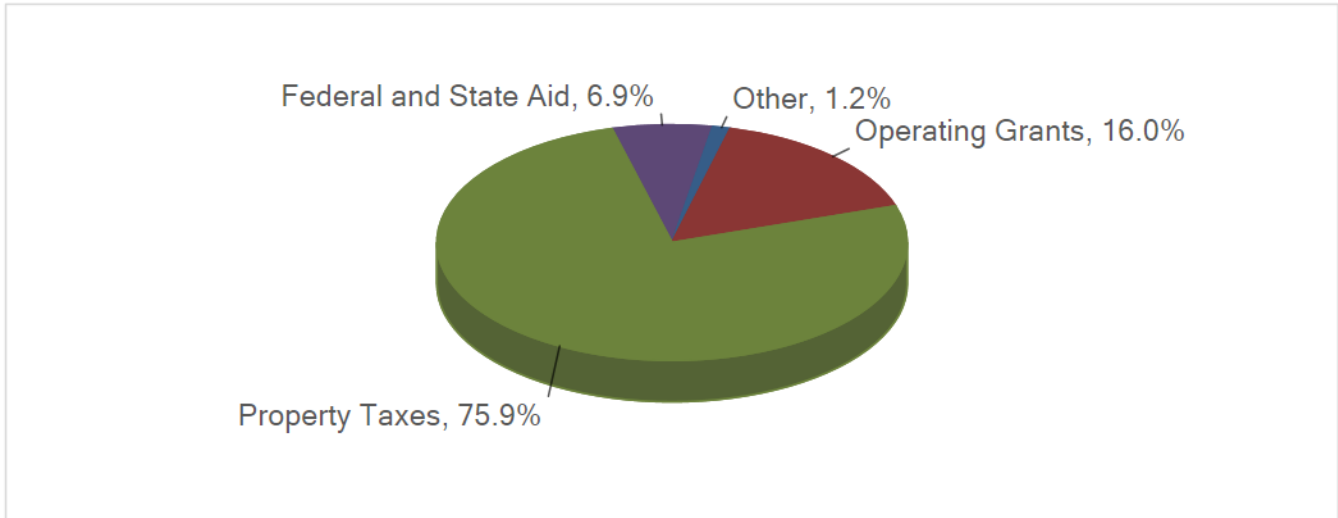
	June 30, 2023			June 30, 2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 113,200	\$ 1,773,359	\$ 1,886,559	\$ 18,741	\$ 603,668	\$ 622,409
Operating and capital grants and contributions	15,291,640	828,066	16,119,706	14,768,761	2,500,264	17,269,025
General revenues:						
Property taxes	72,650,599	-	72,650,599	70,961,865	-	70,961,865
Federal and state aid	6,595,735	-	6,595,735	8,073,985	-	8,073,985
Investment earnings	45,887	1,326	47,213	49,160	112	49,272
Miscellaneous	1,006,020	-	1,006,020	623,311	-	623,311
Total revenues	95,703,081	2,602,751	98,305,832	94,495,823	3,104,044	97,599,867
Expenses						
Instructional services	56,209,726	-	56,209,726	53,027,437	-	53,027,437
Support services	35,759,551	2,437,908	38,197,459	33,113,111	2,540,284	35,653,395
Charter schools	43,246	-	43,246	82,120	-	82,120
Interest on long-term liabilities	420,129	-	420,129	-	-	-
Total expenses	92,432,652	2,437,908	94,870,560	86,222,668	2,540,284	88,762,952
Change in net position	3,270,429	164,843	3,435,272	8,273,155	563,760	8,836,915
Net position - beginning	54,145,069	1,387,484	55,532,553	45,871,914	823,724	46,695,638
Prior period adjustment	-	-	-	-	-	-
Net position - beginning restated	54,145,069	1,387,484	55,532,553	45,871,914	823,724	46,695,638
Net position - ending	\$ 57,415,498	\$ 1,552,327	\$ 58,967,825	\$ 54,145,069	\$ 1,387,484	\$ 55,532,553

The tax levy increase was due in general to cover increased costs in salaries and benefits, utilities and the debt service. The Federal and State aid-restricted decreased due to the amount in grants available.

Regular instructional costs decreased due to contractual decreases in salary and benefits as well as program maintenance and enhancements.

Other support services increased primarily due to the additional other purchased professional services from the Special Revenue Fund in prior year.

Sources of Revenue for Fiscal Year 2023



Expenses for Fiscal Year June 30, 2023

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services.

Total Enterprise Fund revenues exceeded expenses by \$164,843.

Charges for services represent \$1,773,359 of revenue. This represents the amount paid by patrons for daily food service.

Federal and state reimbursements for meals, including interest, payments for free and reduced lunches and donated commodities was \$829,392.

Governmental Activities

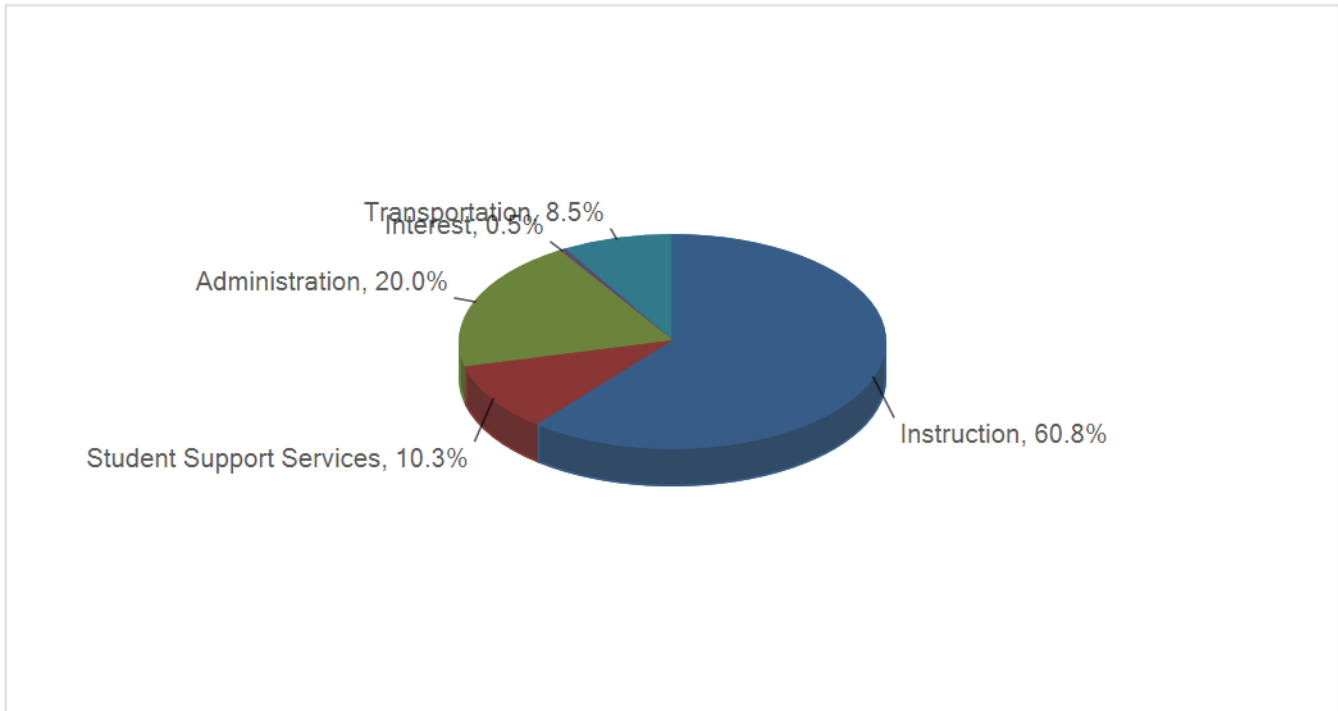
The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total costs of services and the net cost of services. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

Table 3

Governmental Activities

	2023		2022	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction	\$ 56,209,726	\$ 47,240,051	\$ 53,027,437	\$ 44,373,661
Support Services:				
Pupils and Instructional Staff	9,489,276	8,913,136	9,313,153	8,741,303
General Administration, School Administration, Business Operation and Maintenance of Facilities	18,494,340	14,507,615	16,287,906	12,583,030
Pupil Transportation	7,819,181	6,037,311	7,594,172	5,737,172
Interest and Fiscal Charges	<u>420,129</u>	<u>329,699</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>\$ 92,432,652</u>	<u>\$ 77,027,812</u>	<u>\$ 86,222,668</u>	<u>\$ 71,435,166</u>

Expenses for Fiscal Year 2023



Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Extracurricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership. Approximately 90% of the student population participates in extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, to school curricular and athletic activities and field trips as provided by state law.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the District.

The School Board's Funds

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allow the School Board to demonstrate its stewardship over and accountability for resources received from the Borough of Englishtown, State of New Jersey and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2023, it reported a combined fund balance of \$24,076,420, which is an decrease of \$1,042,849. The Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds, Exhibit B-2, presents the reader with a detailed explanation of the decrease in fund balance for the fiscal year.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2023.

<u>Revenue</u>	<u>2023 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 73,815,706	77.13 %	\$ 2,162,629	3.02 %
State Sources	18,921,126	19.77	(942,789)	(4.75)
Federal Sources	2,966,249	3.10	(12,582)	(0.42)
Total	<u>\$ 95,703,081</u>	<u>100.00 %</u>	<u>\$ 1,207,258</u>	<u>1.28 %</u>

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2023.

<u>Expenditures</u>	<u>2023 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2022</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$ 43,032,166	44.47 %	\$ 364,494	0.85 %
Undistributed Expenditures	48,234,100	49.86	3,749,122	8.43
Capital Outlay	1,814,810	1.88	(223,756)	(10.98)
Debt Service:				
Principal	2,955,000	3.05	105,000	3.68
Interest	<u>709,854</u>	<u>0.73</u>	<u>(106,695)</u>	<u>(13.07)</u>
Total	<u>\$ 96,745,930</u>	<u>99.99 %</u>	<u>\$ 3,888,165</u>	<u>4.19 %</u>

General Fund Budgeting Highlights

The School Board's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in Section C of the ACFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

The General Fund finished the fiscal year approximately \$9,358,048 better than had been budgeted in terms of expenditures. Revenue-wise, the General Fund fared about \$(1,060,612) less than expected. Both these amounts have been adjusted for the non-budgeted amounts reflected in the comparison schedule for reimbursed TPAF social security contributions and on-behalf TPAF post-retirement medical contributions.

The General Fund has restricted a portion of its Fund Balance. The restricted Fund Balance items are as follows:

Excess Surplus - Designated for Subsequent Year	
Expenditures	\$ 4,523,975
Capital Reserve	4,172,445
Maintenance Reserve	3,750,000
Unemployment compensation	930,257
Excess Surplus - Current Year	3,779,174

These restricted reserves are regulated as to their use by the State of New Jersey. Therefore, the Board places funds in the reserves in combination with the future financial needs of the District.

The expenditures were less due to cost containment by the Board even after the salary and benefit increases. General supplies were purchased at better prices than expected due to the school board joining other schools in cooperative bidding. The district also joined a co-op for energy consumption, which was done after the budget was struck. Through efforts made in finding jointures with other local districts, and increased students on district owned vehicles the district transportation costs were lowered for special needs students.

The revenue situation arose primarily because of tuition received from out of district students. The excesses will be carried forward into the beginning fund balance from the 2022-2023 fiscal year and will be used to reduce the local tax levy for the 2024-2025 fiscal year.

Capital Assets and Debt Administration

Capital Assets. At the end of the fiscal year June 30, 2023, the School Board had \$78,175,904 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2023 and June 30, 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 9,747,190	\$ 9,747,190	\$ -	\$ -	\$ 9,747,190	\$ 9,747,190
Construction in Progress	-	-	-	-	-	-
Building and Improvements	67,823,265	70,397,169	-	-	67,823,265	70,397,169
Machinery and Equipment	340,786	1,221,675	264,663	235,746	605,449	1,457,421
Total	\$ 77,911,241	\$ 81,366,034	\$ 264,663	\$ 235,746	\$ 78,175,904	\$ 81,601,780

During the current fiscal year, \$670,573 of capital assets were capitalized as additions. Increases in capital assets were offset by depreciation expense for the year.

Debt Administration. The District's long-term liabilities are as follows for the governmental and business-type activities:

	June 30, 2023	June 30, 2022
Bonds Payable (net)	\$ 19,360,000	\$ 22,315,000
Capital Leases payable	886,453	1,197,337
Pension Liability-PERS	18,685,046	14,788,962
Compensated Absences payable	<u>2,652,861</u>	<u>2,561,007</u>
Total long-term liabilities	\$ <u>41,584,360</u>	\$ <u>40,862,306</u>

For more detailed information, please refer to the Capital Assets and Long-term debt notes in the basic financial statements.

Economic Factors and Next Year's Budget

For the 2022-2023 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 22.87% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 77.13% of total revenue is from local sources.

The \$(34,838,684) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would have that much in value.

The 2022-2023 budget was adopted in March 2022 based in part on the state education aid the School Board anticipated receiving. Any future increases based on the enrollment formula, originally formulated to allocate state education aid amongst school boards, will be minimal. Future decreases in local revenue and state education aid will place additional burden on the Borough of Englishtown for increased aid.

The School Board anticipates a slight increase in enrollment for the 2023-2024 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

Contacting the School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Manalapan-Englishtown Regional School District, 54 Main Street, Englishtown, NJ, 07726.

BASIC FINANCIAL STATEMENTS

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 22,829,366	\$ 1,890,060	\$ 24,719,426
Receivables, net	-	20,383	20,383
Receivables - state	1,314,228	1,956	1,316,184
Receivables - federal	671,620	34,254	705,874
Interfund receivable	622,694	-	622,694
Inventory	-	27,697	27,697
Miscellaneous accounts receivable	108,678	-	108,678
Capital assets, non-depreciable	9,747,190	-	9,747,190
Capital assets, depreciable, net	68,164,051	264,663	68,428,714
Total assets	<u>103,457,827</u>	<u>2,239,013</u>	<u>105,696,840</u>
DEFERRED OUTFLOWS			
Deferred outflows - PERS	2,692,091	-	2,692,091
Deferred outflows - Bond costs	67,500	-	67,500
Total deferred outflows	<u>2,759,591</u>	<u>-</u>	<u>2,759,591</u>
LIABILITIES			
Accounts payable	302,930	11,690	314,620
Accrued bond interest	161,470	-	161,470
Payroll deductions and withholding payable	607,314	-	607,314
Other current liabilities	222,009	-	222,009
Unearned revenue	337,913	52,302	390,215
Interfund payable	-	622,694	622,694
Noncurrent liabilities:			
Due within one year	3,528,449	-	3,528,449
Due beyond one year	38,055,911	-	38,055,911
Total liabilities	<u>43,215,996</u>	<u>686,686</u>	<u>43,902,682</u>
DEFERRED INFLOWS			
Deferred inflows - PERS	5,585,924	-	5,585,924
Total deferred inflows	<u>5,585,924</u>	<u>-</u>	<u>5,585,924</u>
NET POSITION			
Net investment in capital assets	75,025,050	264,663	75,289,713
Restricted for:			
Unemployment	930,257	-	930,257
Debt service	73,281	-	73,281
Other purposes	16,225,594	-	16,225,594
Unrestricted	(34,838,684)	1,287,664	(33,551,020)
Total net position	<u>\$ 57,415,498</u>	<u>\$ 1,552,327</u>	<u>\$ 58,967,825</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Statement of Activities
For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Current:							
Regular instruction	\$ 36,035,647	\$ 107,455	\$ 4,508,660	\$ -	\$ (31,419,532)	\$ -	\$(31,419,532)
Special schools instruction	15,212,159	-	3,276,210	-	(11,935,949)	-	(11,935,949)
Other special instruction	4,952,644	-	1,066,080	-	(3,886,564)	-	(3,886,564)
Nonpublic school programs	9,276	-	11,270	-	1,994	-	1,994
Support services and undistributed costs:							
Tuition	1,118,350	-	-	-	(1,118,350)	-	(1,118,350)
Student & instruction related services	8,327,680	-	566,830	-	(7,760,850)	-	(7,760,850)
General administration	2,130,338	5,745	458,560	-	(1,666,033)	-	(1,666,033)
School administrative services	3,632,807	-	781,980	-	(2,850,827)	-	(2,850,827)
Central services	1,212,939	-	261,090	-	(951,849)	-	(951,849)
Administrative information technology	561,170	-	120,790	-	(440,380)	-	(440,380)
Plant operations & maintenance	10,957,086	-	2,358,560	-	(8,598,526)	-	(8,598,526)
Pupil transportation	7,819,181	-	1,781,870	-	(6,037,311)	-	(6,037,311)
Charter Schools	43,246	-	9,310	-	(33,936)	-	(33,936)
Interest on long-term debt	420,129	-	90,430	-	(329,699)	-	(329,699)
Unallocated depreciation	-	-	-	-	-	-	-
Total governmental activities	92,432,652	113,200	15,291,640	-	(77,027,812)	-	(77,027,812)
Business-type activities:							
Food service	2,437,908	1,773,359	828,066	-	-	163,517	163,517
Total business-type activities	2,437,908	1,773,359	828,066	-	-	163,517	163,517
Total primary government	\$ 94,870,560	\$ 1,886,559	\$ 16,119,706	\$ -	\$ (77,027,812)	\$ 163,517	\$(76,864,295)
General revenues:							
Taxes:							
Property taxes levied for general purpose					\$ 69,335,036	\$ -	\$ 69,335,036
Taxes levied for debt service					3,315,563	-	3,315,563
Federal and state aid - not restricted					6,185,422	-	6,185,422
Federal and State aid - restricted					410,313	-	410,313
Miscellaneous income					1,006,020	-	1,006,020
Investment earnings - restricted					45,887	1,326	47,213
Total general revenues					80,298,241	1,326	80,299,567
Change in net position					3,270,429	164,843	3,435,272
Net position, July 1					54,145,069	1,387,484	55,532,553
Net position, June 30					\$ 57,415,498	\$ 1,552,327	\$ 58,967,825

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT

Balance Sheet
Governmental Funds
June 30, 2023

	Major Funds			Total Governmental Funds
	General Fund	Special Revenue Fund	Debt Service Fund	
ASSETS				
Cash and cash equivalents	\$ 14,541,192	\$ 58,827	\$ 306,902	\$ 14,906,921
Due from other funds	1,229,902	-	-	1,229,902
Receivables from federal	-	671,620	-	671,620
Receivables from state	1,314,228	-	-	1,314,228
Miscellaneous accounts receivable	106,926	1,752	-	108,678
Restricted cash and cash equivalents	7,922,445	-	-	7,922,445
Total assets	<u>\$ 25,114,693</u>	<u>\$ 732,199</u>	<u>\$ 306,902</u>	<u>\$ 26,153,794</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	290,089	12,841	-	302,930
Interfund payable	16,334	357,253	233,621	607,208
Payroll deductions and withholding payable	607,283	31	-	607,314
Unearned revenue	11,875	326,038	-	337,913
Other current liabilities	222,009	-	-	222,009
Total liabilities	<u>1,147,590</u>	<u>696,163</u>	<u>233,621</u>	<u>2,077,374</u>
Fund Balances:				
Restricted for:				
Excess surplus	3,779,174	-	-	3,779,174
Excess surplus -- designated for Subsequent year's expenditures	4,523,975	-	-	4,523,975
Maintenance reserve account	3,750,000	-	-	3,750,000
Capital reserve account	4,172,445	-	-	4,172,445
Debt service fund	-	-	73,281	73,281
Capital projects	-	-	-	-
Unemployment compensation	930,257	-	-	930,257
Scholarships	-	552	-	552
Student activities	-	35,484	-	35,484
Committed to:				
Other purposes	-	-	-	-
Assigned to:				
Other purposes	2,004,345	-	-	2,004,345
Designated by the BOE for subsequent year's expenditures	2,804,808	-	-	2,804,808
Unassigned, reported in:				
General fund	2,002,099	-	-	2,002,099
Total Fund balances	<u>23,967,103</u>	<u>36,036</u>	<u>73,281</u>	<u>24,076,420</u>
Total liabilities and fund balances	<u>\$ 25,114,693</u>	<u>\$ 732,199</u>	<u>\$ 306,902</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	77,911,241
Deferred outflows related to the PERS pension plan	2,692,091
Deferred inflows related to the PERS pension plan	(5,585,924)
Bond costs are being amortized over the life of the bond.	67,500
Accrued bond interest	(161,470)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(41,584,360)</u>
Net position of governmental activities	<u>\$ 57,415,498</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Local sources:				
Local tax levy	\$ 69,335,036	\$ -	\$ 3,315,563	\$ 72,650,599
Tuition charges	107,455	-	-	107,455
Interest on investments	20,261	-	-	20,261
Interest earned on capital and maintenance reserve funds	24,872	-	-	24,872
Interest earned on unemployment - restricted	754	-	-	754
Rental fees	76,420	-	-	76,420
Miscellaneous	418,885	516,460	-	935,345
Total - Local sources	69,983,683	516,460	3,315,563	73,815,706
State sources	18,458,800	116,383	345,943	18,921,126
Federal sources	64,370	2,901,879	-	2,966,249
Total revenues	88,506,853	3,534,722	3,661,506	95,703,081
EXPENDITURES				
Current:				
Regular instruction	23,775,135	2,055,868	-	25,831,003
Special education instruction	12,829,295	1,729	-	12,831,024
Other special instruction	4,360,863	-	-	4,360,863
Nonpublic school programs	-	9,276	-	9,276
Undistributed - current:				
Tuition	1,118,350	-	-	1,118,350
Student & instruction related services	8,033,120	-	-	8,033,120
General administration	954,851	1,175,487	-	2,130,338
School administrative services	3,604,773	-	-	3,604,773
Central services	1,212,939	-	-	1,212,939
Administrative information technology	561,170	-	-	561,170
Plant operations & maintenance	9,535,451	-	-	9,535,451
Pupil transportation	7,516,495	-	-	7,516,495
Other support services	-	-	-	-
Employee benefits	14,478,218	-	-	14,478,218
Special schools	-	-	-	-
Transfer to charter schools	43,246	-	-	43,246
Debt service:				
Principal	-	-	2,955,000	2,955,000
Interest and other charges	-	-	709,854	709,854
Capital outlay	1,522,475	292,335	-	1,814,810
Total expenditures	89,546,381	3,534,695	3,664,854	96,745,930
Excess (Deficiency) of revenues over expenditures	(1,039,528)	27	(3,348)	(1,042,849)
Fund balance-July 1	25,006,631	36,009	76,629	25,119,269
Fund balance-June 30	\$ 23,967,103	\$ 36,036	\$ 73,281	\$ 24,076,420

**MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2023**

Total net change in fund balances - governmental funds (from B-2) **\$ (1,042,849)**

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

	Depreciation expense	4,062,895	
	Capital outlays	<u>(608,102)</u>	(3,454,793)

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey. 4,615,200

Repayment of bond principal 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. 2,955,000

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in accrued interest is an addition to the reconciliation. 46,341

In the Statement of Activities, the bond premium is reclassified as a liability. In the governmental funds, the payment is an expenditure. (67,500)

In the Statement of Activities, the principal payments on financed purchases are recorded as a reduction in the long-term liability. In the governmental funds, the payment is an expenditure. 310,884

In the Statement of Activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) 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, essentially, the amounts actually 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. (91,854)

Change in net position of governmental activities **\$ 3,270,429**

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type-Activities	
	Enterprise Funds	
	Food Service	Total Enterprise
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,890,060	\$ 1,890,060
Accounts receivable state	1,956	1,956
Accounts receivable federal	34,254	34,254
Other receivables	20,383	20,383
Inventories	27,697	27,697
Total current assets	<u>1,974,350</u>	<u>1,974,350</u>
Noncurrent assets:		
Building improvements	192,533	192,533
Furniture, machinery & equipment	1,322,904	1,322,904
Less accumulated depreciation	(1,250,774)	(1,250,774)
Total noncurrent assets	<u>264,663</u>	<u>264,663</u>
Total assets	<u>\$ 2,239,013</u>	<u>\$ 2,239,013</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 11,690	\$ 11,690
Interfund payable	622,694	622,694
Unearned revenue	52,302	52,302
Total current liabilities	<u>686,686</u>	<u>686,686</u>
NET POSITION		
Net investment in capital assets	264,663	264,663
Unrestricted	1,287,664	1,287,664
Total net position	<u>1,552,327</u>	<u>1,552,327</u>
Total liabilities and net position	<u>\$ 2,239,013</u>	<u>\$ 2,239,013</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type-Activities Enterprise Fund	
	Food Service	Total Enterprise
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	\$ 1,396,313	\$ 1,396,313
Daily sales - non-reimbursable programs	371,172	371,172
Special functions	5,874	5,874
Total operating revenues	1,773,359	1,773,359
Operating expenses:		
Cost of sales - reimbursable programs	750,326	750,326
Cost of sales - non-reimbursable programs	199,454	199,454
Salaries	962,274	962,274
Employee benefits	250,335	250,335
Other purchased professional services	64,758	64,758
Management fee	100,847	100,847
Miscellaneous expense	5,471	5,471
General supplies	70,889	70,889
Depreciation	33,554	33,554
Total Operating Expenses	2,437,908	2,437,908
Operating income (loss)	(664,549)	(664,549)
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	26,937	26,937
Federal sources:		
National school lunch program	599,438	599,438
Miscellaneous revenue	51,086	51,086
Food distribution program	150,605	150,605
Interest and investment revenue	1,326	1,326
Total nonoperating revenues (expenses)	829,392	829,392
Change in net position	164,843	164,843
Total net position—beginning	1,387,484	1,387,484
Total net position—ending	\$ 1,552,327	\$ 1,552,327

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-type Activities	
	Enterprise Funds	
	Food Service	Total Enterprise
Cash Flows from Operating Activities:		
Receipts from customers and other funds	\$ 1,759,316	\$ 1,759,316
Payments to employees	(962,274)	(962,274)
Payments for employee benefits	(250,335)	(250,335)
Payments to suppliers	(800,773)	(800,773)
Net cash provided by (used in) operating activities	(254,066)	(254,066)
Cash Flows from Noncapital Financing Activities		
State sources	29,568	29,568
Federal sources	764,510	764,510
Net cash provided by (used in) noncapital financing activities	794,078	794,078
Cash Flows from Capital and Related Financing Activities		
Purchases of capital assets	(62,471)	(62,471)
Net cash provided by (used in) capital and related financing activities	(62,471)	(62,471)
Cash Flows from Investing Activities		
Interest on investments	1,326	1,326
Net cash provided by (used in) investing activities	1,326	1,326
Net increase (decrease) in cash and cash equivalents	478,867	478,867
Balances-beginning of the year	1,411,193	1,411,193
Balances-end of the year	\$ 1,890,060	\$ 1,890,060
 Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (664,549)	\$ (664,549)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:		
Depreciation	33,554	33,554
Federal commodities	150,605	150,605
Change in assets and liabilities:		
(Increase) decrease in unearned revenue	1,077	1,077
(Increase) decrease in accounts receivable	(15,120)	(15,120)
(Increase) decrease in inventory	941	941
(Increase) decrease in interfund payable	302,573	302,573
Increase (decrease) in accounts payable	(63,147)	(63,147)
Total adjustments	410,483	410,483
Net cash provided by (used in) operating activities	\$ (254,066)	\$ (254,066)

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

1. **Description of the School District and Reporting Entity**

Manalapan-Englishtown Regional School District ("District") is organized under the Constitution of the State of New Jersey. The District operates under a locally elected Board form of government consisting of nine members elected to three-year terms, which are staggered. The District provides educational services as authorized by state and federal guidelines.

The District serves an area of 32 square miles. It is located in Monmouth County and provides education for all of Manalapan-Englishtown Regional's students in grades K through 8. The District currently operates eight instructional buildings, a transportation depot, buildings and grounds office, and an administrative building. The District services approximately 4,723 students and is one of the largest K through 8 Districts in Monmouth County.

A. Reporting Entity

The Board of Education (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. The operations of the District include an early learning center, five elementary schools and two middle schools located in Manalapan and Englishtown, New Jersey.

In evaluating how to define the governmental reporting entity, the District follows the Governmental Accounting Standards, under which the financial statements include all the organizations, activities, functions and component units for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's Board and either (1) the District's ability to impose its will over the component unit, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District. On this basis, the District's financial reporting entity has no component units.

2. **Summary of Significant Accounting Policies**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental 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. Basis of Presentation

The School District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (Continued)

District-wide Statements: The district-wide financial statements (A-1 and A-2) include the statement of net position and the statement of activities. These statements report financial information of the District as a whole excluding the fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the statement of activities. Individual funds are not displayed but the statements distinguish governmental activities, generally supported through taxes and user fees, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The School District's basic financial statements requiring the reporting of deferred outflows, deferred inflows, and net position. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position. Items previously classified as assets and liabilities but not meeting that definition have then been reviewed for categorization as deferred outflows or deferred inflows. Items not classified as an asset, deferred outflows, liability or deferred inflows have been charged to the Statement of Activities in the current year.

The School District did have items that needed to be reviewed for proper classification on the Statement of Net Position. The District has Bond Costs which were being amortized. Following these new guidelines the Bond Costs have been classified as a Deferred Outflow.

The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and 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. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (Continued)

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 detail of the governmental, proprietary and fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - 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 Governmental Accounting Standards. 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. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey State Department of Education, the District includes in this fund budgeted Capital Outlay. Generally accepted accounting principles as they pertain to governmental entities state 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 revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

Special Revenue Fund: The special revenue fund is used to account for the proceeds of specific revenue from state and federal Government, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

A. Basis of Presentation (Continued)

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (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.

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

The District reports the following proprietary fund:

Enterprise Fund: The Enterprise Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the Food Service Fund.

Depreciation of all capital assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Equipment	5-20 Years
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Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others if applicable.

B. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting (Continued)

District-wide, proprietary, and fiduciary fund financial statements: The district-wide financial statements are prepared using the accrual basis of accounting. Governmental funds are accounted for using the "economic resources" measurement focus and the modified accrual basis of accounting; the enterprise fund and fiduciary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. The tax revenues are recognized in the year for which they are levied (see Note 2.c.). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all requirements have been satisfied.

Governmental fund financial statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days of 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. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions leases are reported as other financing sources.

C. Property Taxes

Ad Valorem (Property) Taxes are susceptible to accrual as per New Jersey State Statute whereby a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an "accounts receivable".

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. On Tuesday, January 17, 2012, Governor Christie signed into law A-4394/S-3148 (P.L. 2011, chapter 202), which established procedures for moving the date of a school district's annual school election from April to the General Election in November. Districts that choose to elect their school board members in November no longer have to submit their budgets for voter approval as long as it does not exceed the levy cap. Budgets that are in excess of the cap would still require voter approval. Once a school election is moved to November, no action can be taken (either by petition or resolution) to move the election back to April for four (4) years. Special Elections are still permitted in January, March, September and December should the need arise.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

D. Budgets/Budgetary Control (Continued)

On Tuesday, January 17, 2012, the Manalapan-Englishtown Regional Board of Education passed a resolution moving the annual school board election to the General Election in November and effectively eliminated the requirement for voter approval of the district school budget as long as it does not exceed the levy cap. This election is still in effect.

The 2022-23 budget was approved by the county in April 2022. 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 6A:23:23-16.2(f).

All budget amendments must be approved by School Board resolution. Budget amendments were made during the year ended June 30, 2023.

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 legally mandated revenue recognition of the last state aid payment for budgetary purposes only and 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. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

E. 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 reservations of 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 deferred revenues 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.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

F. Cash, Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

G. Interfund Activity

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 between governmental and business-type activities or governmental and agency funds, which are presented as internal balances.

H. Allowances for Uncollectible Accounts

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

I. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods are recorded as an expenditure during the year of purchase.

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

J. Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their estimated acquisition value on the date received. The cost of normal maintenance and repairs is not capitalized. The School District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

J. Capital Assets (Continued)

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Building	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

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

K. Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

L. Unearned Revenue

Unearned revenue in the general, special revenue and food service funds represent cash which has been received but not yet earned.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due. The general fund is utilized to liquidate all long-term liabilities other than debt via annual budget appropriation.

N. Net Position

Net position represents the difference between assets, deferred outflows, liabilities and deferred inflows. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted in the District-wide financial when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Fund Balance Reserves

The Governmental Accounting Standards established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

1. Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
2. Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed - includes amounts that can be spent only for the specific purposes determined by a formal action of the District's highest level of decision-making authority.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

O. Fund Balance Reserves (Continued)

4. Assigned - amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.
5. Unassigned - includes all spendable amounts not contained in the other classifications.

P. Revenues - Exchange and Non-exchange Transactions

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

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

Q. Operating Revenues and Expenses

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

R. Management Estimates

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

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

S. Allocation of Indirect Expenses

The District reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the statement of activities. Employee benefits, including the employer's share of social security, workers' compensation, and medical, dental and prescription benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the statement of activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the statement of activities. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities.

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

U. Change in Accounting Principles

On June 30, 2023, the District implemented the Governmental Accounting Standards Boards Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). Statement No. 96 is effective for reporting periods beginning after June 15, 2022, and all reporting periods thereafter. These changes were reviewed for the District's June 30, 2023 financial statements and had no effect on the beginning net position of the District. The District did not have any subscriptions that rose to an amount that required disclosure. The District will review new subscriptions annually to determine proper disclosure.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

2. Summary of Significant Accounting Policies (Continued)

V. GASB Pronouncements

Recently Issued Accounting Pronouncements to be implemented in future years

Statement No. 100, *Accounting Changes and Error Corrections - An Amendment GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decision or assessing accountability. Statement No. 100 is effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Statement No. 101 is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

3. Cash and Cash Equivalents and Investments

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:2037 provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with GUDPA. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value 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 other public depositories, is available to pay the full amount of their deposits to the governmental units.

Deposits:

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

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

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

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%.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

3. Cash and Cash Equivalents and Investments (Continued)

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. The District's cash and cash equivalents are classified below to inform financial statement users about the extent to which a government's deposits and investments are exposed to custodial credit risk. Pursuant to Governmental Accounting Standards, the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. As of June 30, 2023, all of the District's deposits, except as noted below, were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk.

As of June 30, 2023, the carrying amount of the District's deposits for all funds was \$24,719,426 and the bank balance was \$25,862,523. All bank deposits, as of the balance sheet date are entirely insured or collateralized by a collateral pool maintained by public depositories as required by GUDPA.

Investments:

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives that have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2023, the District's Cash and Cash Equivalents consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking Accounts	\$ 24,013,735
Capital Reserve	705,566
Change Funds	<u>125</u>
Totals	<u>\$ 24,719,426</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

3. Cash and Cash Equivalents and Investments (Continued)

Custodial Credit Risk: Pursuant to Governmental Accounting Standards, the NJCMF, which is a pooled investment, is exempt from custodial credit risk disclosure. The District does not have a policy for custodial credit risk other than depositing all of its funds in banks covered by GUDPA.

Credit Risk: The District does not have an investment policy regarding the management of credit risk. Governmental Accounting Standards require that disclosure be made as to the credit rating of all debt security investments except for obligations of U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.

Interest Rate Risk: The District does not have a policy to limit interest rate risk. The average maturity of the District's sole investment, the NJCMF, is less than one year.

4. Restricted Cash Reserves

A. Capital Reserve Account

A capital reserve account was established by the District during fiscal year 2001-2002 in which it deposited \$100,000 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 Long Range Facilities Plan, ("LRFP"). Upon submission of the LRFP to the department, a district may deposit funds by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2022	\$ 4,818,138
Add:	
Deposits	1,104,935
Interest earnings	24,872
Transfer of unspent funds	-
Less:	
Board resolution	-
FY 2011-2023 Budgeted withdrawal	<u>1,775,500</u>
Ending Balance, June 30, 2023	<u>\$ 4,172,445</u>

The June 30, 2023 LRFP balance of local support costs of uncompleted capital projects is \$3,978,750.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

4. **Restricted Cash Reserves (Continued)**

B. Maintenance Reserve

A maintenance reserve account was established by the District during fiscal year 2007-2008 in which it deposited \$484,791 for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701). Districts may only increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (N.J.A.C. 6A:23A-14.2) or by deposit of any unanticipated revenue or unexpended line-item appropriation by board resolution at the year end. The board resolution for deposit at year end into a maintenance reserve account must be made between June 1 and June 30 of the budget year. EFCFA requires that upon District completion of a school facilities project, the district must submit a plan for the maintenance of that facility.

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

Beginning balance, July 1, 2022	\$ 3,500,000
Add:	
Deposits	1,500,000
Interest Earned	-
Less:	
FY 2021-2022 Budgeted withdrawal	<u>1,250,000</u>
Ending balance, June 30, 2023	<u>\$ 3,750,000</u>

5. **Receivables**

Receivables at June 30, 2023 consisted of accounts (rent and tuition), accrued interest, interfund, intergovernmental, and property taxes. All receivables are considered collectible in full. A summary of the principal items of governmental receivables follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
State Aid	\$ 1,314,228	1,316,184
Federal Aid	671,620	705,874
Interfunds	1,229,902	622,694
Other	<u>108,678</u>	<u>129,061</u>
Gross Receivables	3,324,428	2,773,813
Less: Allowance for Uncollectible	-	-
Total Receivables, Net	<u>\$ 3,324,428</u>	<u>2,773,813</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

6. Capital Assets

Capital assets consisted of the following at June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land and land improvements	\$ 9,747,190	\$ -	\$ -	\$ 9,747,190
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets Not Being Depreciated	<u>9,747,190</u>	<u>-</u>	<u>-</u>	<u>9,747,190</u>
Capital Assets Being Depreciated				
Building and Building Improvements	122,344,106	608,102	-	122,952,208
Machinery and Equipment	<u>17,686,340</u>	<u>-</u>	<u>-</u>	<u>17,686,340</u>
Totals at Historical Cost	<u>140,030,446</u>	<u>608,102</u>	<u>-</u>	<u>140,638,548</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(51,946,937)	(3,182,006)	-	(55,128,943)
Machinery and Equipment	<u>(16,464,665)</u>	<u>(880,889)</u>	<u>-</u>	<u>(17,345,554)</u>
Total Accumulated Depreciation	<u>(68,411,602)</u>	<u>(4,062,895)</u>	<u>-</u>	<u>(72,474,497)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>71,618,844</u>	<u>(3,454,793)</u>	<u>-</u>	<u>68,164,051</u>
Government Activity Capital Assets, Net	<u>\$ 81,366,034</u>	<u>\$ (3,454,793)</u>	<u>\$ -</u>	<u>\$ 77,911,241</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Building improvements	\$ 192,533	\$ -	\$ -	\$ 192,533
Equipment	<u>1,260,433</u>	<u>62,471</u>	<u>-</u>	<u>1,322,904</u>
Totals at Historical Cost	1,452,966	62,471	-	1,515,437
Less Accumulated Depreciation for:				
Building Improvements	(192,533)	-	-	(192,533)
Machinery and Equipment	<u>(1,024,687)</u>	<u>(33,554)</u>	<u>-</u>	<u>(1,058,241)</u>
Total Accumulated Depreciation	<u>(1,217,220)</u>	<u>(33,554)</u>	<u>-</u>	<u>(1,250,774)</u>
Enterprise Fund Capital Assets, Net	<u>\$ 235,746</u>	<u>\$ 28,917</u>	<u>\$ -</u>	<u>\$ 264,663</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

6. Capital Assets (Continued)

Depreciation expense was charged to governmental functions as follows:

Regular instruction	\$ 3,011,417
Special school instruction	211,271
Student & instruction services	294,560
School administration	28,034
Plant operations & maintenance	214,927
Student transportation	<u>302,686</u>
Total depreciation expense	<u>\$ 4,062,895</u>

7. Long-term Liabilities

During the fiscal year ended June 30, 2023 the following changes occurred in the non-current liabilities:

	Balance June 30, 2022	Increase/ (Decrease)	Balance June 30, 2023	Due within one year
Bonds payable	\$ 22,315,000	\$ (2,955,000)	\$ 19,360,000	\$ 3,070,000
Obligations under financed purchases	1,197,337	(310,884)	886,453	212,953
Compensated absences payable	2,561,007	91,854	2,652,861	245,496
Pension liability - PERS	<u>14,788,962</u>	<u>3,896,084</u>	<u>18,685,046</u>	-
	<u>\$ 40,862,306</u>	<u>\$ 722,054</u>	<u>\$ 41,584,360</u>	<u>\$ 3,528,449</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Obligations under capital leases, compensated absences payable and pension liability - PERS are liquidated by the general fund.

A. Bonds Payable

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

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

Year ended June 30	Principal	Interest	Total
2024	\$ 3,070,000	\$ 659,429	\$ 3,729,429
2025	3,010,000	591,400	3,601,400
2026	3,130,000	468,600	3,598,600
2027	3,260,000	340,800	3,600,800
2028	3,380,000	208,000	3,588,000
2029	<u>3,510,000</u>	<u>70,200</u>	<u>3,580,200</u>
	<u>\$ 19,360,000</u>	<u>\$ 2,338,429</u>	<u>\$ 21,698,429</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

7. Long-term Liabilities (Continued)

B. Bonds Authorized But Not Issued

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

C. Financed Purchases

The District is leasing buses totaling \$2,933,956, with a net book value of \$886,453 under financed purchases. All capital leases are for terms of two to ten years. The following is a schedule of the future minimum lease payments under financed purchases and the present value of the net minimum leases payments as of June 30, 2023:

Year ended June 30,	
2024	\$ 234,675
2025	186,811
2026	186,811
2027	147,040
2028	107,268
2029-2030	<u>92,378</u>
Total minimum lease payments	954,983
Less: amounts representing interest	<u>(68,530)</u>
Present value of lease payments	<u>\$ 886,453</u>

Amortization of the leased equipment under capital assets is included with depreciation expense.

8. Pension Plans

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 PERS, please refer to Division's annual financial statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

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.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

Plan Description (Continued)

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 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 employers. 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. For fiscal year 2023, the State's pension contribution was less than the actuarial determined amount.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

Contributions (Continued)

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 such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At

June 30, 2023, the School District reported a liability of \$18,685,046 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedure to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was .1238127314%, which was a decrease of .0010255185% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense of \$(1,379,728) in the government-wide financial statements consisting of employer contributions of \$1,561,338 and non-employer contributions of \$(2,941,066). This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 134,860	\$ 118,927
Changes of assumptions	57,892	2,797,891
Net difference between projected and actual earnings on pension plan investments	773,357	-
Changes in proportion and differences between District contributions and proportionate share of contributions	151,205	2,669,106
District contributions subsequent to the measurement date	<u>1,574,777</u>	<u>-</u>
Total	<u>\$ 2,692,091</u>	<u>\$ 5,585,924</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources (Continued)

\$1,574,777 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2022-2023 total salaries for PERS employees multiplied by an employer contribution rate. The payable is due on April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2023	\$ (3,671,598)
2024	(1,870,556)
2025	(912,234)
2026	1,990,148
2027	(4,370)
Thereafter	-
Total	<u>\$ (4,468,610)</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	5.16	-
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00	5.00
June 30, 2018	5.00	5.00
June 30, 2019	5.00	5.00
June 30, 2020	5.00	5.00
June 30, 2021	5.00	5.00
June 30, 2022	5.00	5.00

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.04, 5.13, 5.16, 5.21, 5.63, and 5.48 years for the 2022, 2021, 2020, 2019, 2018, and 2017, respectively.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

Actuarial Assumptions - The collective 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 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 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.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2022 are summarized in the following table.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

<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 %	8.83 %
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 nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

A. Public Employees' Retirement System (PERS) (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	24,208,106	18,685,046	14,277,613

Additional Information - The following is a summary of the collective balances of the local group:

	<u>6/30/23</u>	<u>6/30/22</u>
Collective Deferred Outflows of Resources	1,660,772,008	1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
School District's Portion	.1238127314%	.1248382499%

B. Teachers' Pension and Annuity (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit 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. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's annual financial Report statements, which can be found at www.state.nj.us/treasury/pensions/annual-reports.shtml.

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.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

B. Teachers' Pension and Annuity (TPAF) (Continued)

The following represents the membership tiers for TPAF:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 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 employers. 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. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A. 18A:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does 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 School District.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

B. Teachers' Pension and Annuity (TPAF) (Continued)

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2022 was \$166,435,502. The School District's proportionate share was \$0.

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 State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was .322584333%, which was an decrease of .0000933429% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized a pension expense in the amount of \$- for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2022 measurement date.

Actuarial Assumptions - The collective 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 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 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.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

B. Teachers' Pension and Annuity (TPAF) (Continued)

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 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 %	8.83 %
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 %

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

8. Pension Plans (Continued)

B. Teachers' Pension and Annuity (TPAF) (Continued)

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 will be made based on 100% of the actuarially determined contributions to the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the participating employers as of June 30, 2022 calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's proportionate share of the net pension liability	195,459,966	166,435,502	142,474,401

Pension Plan Fiduciary Net Position - 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 Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Additional Information - The following is a summary of the collective balances of the local group.

	<u>6/30/23</u>	<u>6/30/22</u>
Collective Deferred Outflows of Resources	5,004,259,312	6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
School District's Portion	.322584333%	.3226776759%

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

9. Defined Contribution Retirement Plan (DCRP)

The Defined Contribution Retirement Plan is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The District's contributions to the DCRP for June 30, 2023 were \$251,963. There was no liability for unpaid contributions at June 30, 2023.

10. Post-Retirement Benefits

General Information about the OPEB Plan

Plan description and benefits provided

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for 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 Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

10. **Post-Retirement Benefits (Continued)**

General Information about the OPEB Plan (Continued)

Plan description and benefits provided (Continued)

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 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Employees covered by benefit terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	151,669
Active plan members	<u>213,148</u>
Total	<u><u>364,817</u></u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

10. Post-Retirement Benefits (Continued)

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2022 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is \$75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of \$6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not prefund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed \$1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from \$1.8 billion in Fiscal Year 2021. The State has appropriated \$2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is \$88.9 billion, a decrease of \$12.7 billion, or 12.5 percent from the \$101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage:

<https://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

10. Post-Retirement Benefits (Continued)

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. 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:

Inflation Rate	2.5%
Salary Increases through 2026	PERS 2.00%-6.55%
	PFRS 3.25%-16.25%
	TPAF 2.75%-4.25%
Discount Rate	3.54%
Healthcare Cost Trend Rates	4.5%-6.25%
Retirees' Share of Benefit Related Costs	1.5% of projected health insurance premiums for retirees

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

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

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

10. Post-Retirement Benefits (Continued)

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at June 30, 2021	\$ 60,007,650,970
Changes for the year:	
Service cost	2,770,618,025
Interest on the total OPEB liability	1,342,187,139
Changes of benefit terms	-
Differences Between Expected and Actual Experience	1,399,200,736
Changes in assumptions	(13,586,368,097)
Gross benefit payments by the state	(1,329,476,059)
Contributions from members	<u>42,650,252</u>
Net changes	<u>(9,361,188,004)</u>
Balance at June 30, 2022	<u>\$ 50,646,462,966</u>

Discount rate

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

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the June 30, 2022 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability of the State for School Retirees	\$59,529,589,697	\$50,646,462,966	\$43,527,080,995
Total OPEB Liability of the State Associated with the School District for School Retirees	\$222,269,609	\$189,102,086	\$162,519,968

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

10. Post-Retirement Benefits (Continued)

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 trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Sensitivity of the total OPEB liability to changes in the health care cost trend rates

The following presents the June 30, 2022 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Trend Rate	1% Increase
Total OPEB Liability of the State for School Retirees	\$41,862,397,291	\$50,646,462,966	\$62,184,866,635
Total OPEB Liability of the State Associated with the School District for School Retirees	\$156,294,954	\$189,102,086	\$232,183,796

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

For the year ended June 30, 2023, the board of education recognized OPEB expense of \$3,530,772 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the Manalapan-Englishtown Regional School District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

10. Post-Retirement Benefits (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 9,042,402,619	\$ 15,462,950,679
Changes of assumptions	8,765,620,577	17,237,289,230
Contributions made in fiscal year ending 2023 after June 30, 2022 measurement date	-	-
Total	<u>\$ 17,808,023,196</u>	<u>\$ 32,700,239,909</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2023	\$ (2,517,151,602)
2024	(2,517,151,602)
2025	(2,517,151,602)
2026	(2,175,449,761)
2027	(1,243,951,140)
Thereafter	<u>(3,921,361,006)</u>
Total	<u>\$ (14,892,216,713)</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

11. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences." 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 sick leave in accordance with the districts personnel policy. Unused sick leave may be accumulated and carried forward to the subsequent years. Upon separation the District shall pay the employee for unused sick leave in accordance with the Districts' agreements with the various employees. Vacation days not used during the year may only be carried forward with approval from the Superintendent.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees.

12. Deferred Compensation

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

Lincoln Investment Planning, Inc.
AXA/Equitable

13. Risk Management

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. There have been no significant reductions in insurance coverage from prior year and no settlements have exceeded insurance coverage's over the past three years.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

13. Risk Management (Continued)

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 trust fund for the current and prior two years:

District Financial Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2022-2023	\$ 754	89,550	133,814	\$ 930,257
2021-2022	114	84,426	1,491	973,767
2020-2021	192	125,000	64,692	890,718

14. Interfund Balances and Activity

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,229,902	\$ 16,334
Special Revenue Fund	-	357,253
Capital Projects Fund	-	-
Debt Service Fund	-	233,621
Enterprise Fund	-	622,694
Trust and Agency Fund	-	-
	<u>\$ 1,229,902</u>	<u>\$ 1,229,902</u>

The General Fund had to fund the Special Revenue Fund for shortages due to the delay in the District receiving State and Federal aid funds. All interfund balances are expected to be repaid within one year.

15. Inventory

Inventory in the Food Service Fund at June 30, 2023 consisted of the following:

Food	\$ 9,968
Supplies	10,749
Commodities	<u>6,980</u>
	<u>\$ 27,697</u>

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

16. Contingent Liabilities

Grant Programs

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

The District is also involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Board.

17. Fund Balances

General Fund - Of the \$23,967,103 General Fund balance at June 30, 2023, \$2,004,345 of encumbrances is assigned to other purposes, \$3,779,174 is restricted for excess surplus, \$4,523,975 is restricted for excess surplus designated for subsequent year's expenditures, \$2,804,808 is assigned to offset 2022-23 general fund expenditures, \$4,172,445 is restricted for capital reserve, \$3,750,000 is restricted for maintenance reserve, \$930,257 is restricted for unemployment and \$2,002,099 is unreserved and undesignated.

Special Revenue Fund - Of the \$36,036 Special Revenue Fund balance at June 30, 2023, \$552 is restricted for scholarships and \$35,484 is restricted for student activities.

Debt Service Fund - Of the \$73,281 Debt Service Fund balance at June 30, 2023, \$73,281 is restricted for debt service.

18. 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 Reserved 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 reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2023 is \$3,779,174.

19. Uncertain Tax Positions

The school district had no unrecognized tax benefits at June 30, 2023. The school district files tax returns in the U.S. federal jurisdiction and New Jersey. The school district has no open year prior to June 29, 2020.

Manalapan-Englishtown Regional School District

Notes to Financial Statements

For the Year Ended June 30, 2023

20. Subsequent Events

Management has evaluated subsequent events through November 9, 2023, the date the financial statements were available to be issued.

21. Tax Abatement

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

22. Economic Dependency

Economic Dependency - The School District 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, could have an effect on the School District's programs and activities.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 69,335,036	\$ -	\$ 69,335,036	\$ 69,335,036	\$ -
Tuition from individuals	-	-	-	1,351	1,351
Tuition from other sources	-	-	-	106,104	106,104
Interest on investments	150,000	-	150,000	20,261	(129,739)
Interest earned on maintenance reserve	500	-	500	-	(500)
Interest earned on capital reserve funds	5,000	-	5,000	24,872	19,872
Interest earned on unemployment - restricted	-	-	-	754	754
Rents and royalties	88,500	-	88,500	76,420	(12,080)
Miscellaneous	580,900	-	580,900	418,885	(162,015)
Total - local sources	<u>70,159,936</u>	<u>-</u>	<u>70,159,936</u>	<u>69,983,683</u>	<u>(176,253)</u>
State sources:					
Equalization aid	3,200,888	-	3,200,888	3,200,888	-
Transportation aid	1,968,298	-	1,968,298	1,968,298	-
Special education aid	3,767,124	-	3,767,124	3,767,124	-
Security aid	427,473	-	427,473	427,473	-
Stabilization aid	-	636,400	636,400	636,400	-
Supplemental Stabilization aid	-	-	-	797,983	797,983
Family Crisis Transportation Aid	-	-	-	19,368	19,368
Extraordinary aid	750,000	-	750,000	1,108,714	358,714
Nonpublic transportation aid	-	-	-	54,288	54,288
TPAF - Post Retirement Medical (On-Behalf-Non-Budgeted)	-	-	-	3,530,772	3,530,772
Teacher's Pension & Annuity Fund (On-Behalf-Non-Budgeted)	-	-	-	13,440,441	13,440,441
TPAF - LTDI (on-behalf - Non-budgeted)	-	-	-	4,396	4,396
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	2,684,590	2,684,590
Total state sources	<u>10,113,783</u>	<u>636,400</u>	<u>10,750,183</u>	<u>31,640,735</u>	<u>20,890,552</u>
Federal Sources					
FFCRA	-	-	-	7,213	7,213
Medicaid Reimbursement	57,858	-	57,858	57,157	(701)
Total - Federal Sources	<u>57,858</u>	<u>-</u>	<u>57,858</u>	<u>64,370</u>	<u>6,512</u>
Total revenues	<u>80,331,577</u>	<u>636,400</u>	<u>80,967,977</u>	<u>101,688,788</u>	<u>20,720,811</u>
EXPENDITURES:					
Current Expenditures:					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of teachers	1,849,825	(1,500)	1,848,325	1,756,633	91,692
Grades 1-5 - Salaries of teachers	11,643,225	(109,000)	11,534,225	11,336,029	198,196
Grades 6-8 - Salaries of teachers	8,529,550	(82,750)	8,446,800	8,235,624	211,176
Unused sick pay	-	34,942	34,942	34,942	-
Regular Programs - Home Instruction:					
Salaries of teachers	40,000	-	40,000	18,570	21,430
Purchased professional-educational services	40,000	-	40,000	14,431	25,569
Regular Programs - Undistributed Instruction					
Other salaries for instruction	-	9,500	9,500	9,500	-
Purchased professional-educational services	600	(185)	415	-	415
Purchased technical services	-	-	-	-	-
Other purchased services (400-500 series)	634,800	39,933	674,733	625,798	48,935
General supplies	1,291,149	(10,943)	1,280,206	775,334	504,872
Textbooks	64,900	192,509	257,409	249,855	7,554
Other objects	45,370	(677)	44,693	3,511	41,182
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>24,139,419</u>	<u>71,829</u>	<u>24,211,248</u>	<u>23,060,227</u>	<u>1,151,021</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of teachers	\$ 792,550	\$ (200,000)	\$ 592,550	\$ 496,896	\$ 95,654
Other salaries for instruction	394,761	(50,000)	344,761	322,344	22,417
Unused sick pay	-	4,882	4,882	4,882	-
Purchased professional-educational services	-	296,936	296,936	183,682	113,254
Other purchased services (400-500 series)	500	-	500	-	500
General supplies	7,000	(3,896)	3,104	609	2,495
Total Learning and/or Language Disabilities	1,194,811	47,922	1,242,733	1,008,413	234,320
Multiple Disabilities:					
Salaries of teachers	376,950	65,000	441,950	429,894	12,056
Other salaries for instruction	200,467	20,000	220,467	195,276	25,191
Unused sick pay	-	-	-	-	-
Purchased professional-educational services	-	162,627	162,627	153,176	9,451
Purchased technical services	1,000	-	1,000	-	1,000
General supplies	2,000	2,346	4,346	1,936	2,410
Total Multiple Disabilities	580,417	249,973	830,390	780,282	50,108
Resource Room/Resource Center:					
Salaries of teachers	5,223,850	(38,300)	5,185,550	5,012,899	172,651
Other salaries for instruction	459,858	11,500	471,358	403,723	67,635
Unused sick pay	-	4,686	4,686	4,686	-
Purchased professional-educational services	-	59,250	59,250	55,432	3,818
Other purchased services (400-500 series)	500	-	500	-	500
General supplies	1,500	-	1,500	1,268	232
Total Resource Room/Resource Center	5,685,708	37,136	5,722,844	5,478,008	244,836
Preschool Disabilities - Part-Time:					
Salaries of teachers	332,400	(126,600)	205,800	197,662	8,138
Other salaries for instruction	108,934	52,900	161,834	145,217	16,617
Unused sick pay	-	6,503	6,503	6,503	-
General supplies	1,100	-	1,100	832	268
Total Preschool Disabilities - Part-Time:	442,434	(67,197)	375,237	350,214	25,023
Preschool Disabilities - Full-Time:					
Salaries of teachers	431,600	91,500	523,100	514,379	8,721
Other salaries for instruction	282,525	57,500	340,025	338,604	1,421
Unused sick pay	-	4,769	4,769	4,769	-
Purchased educational services	53,500	(31,987)	21,513	13,013	8,500
General supplies	750	-	750	173	577
Total Preschool Disabilities - Full-Time:	768,375	121,782	890,157	870,938	19,219
Home Instruction					
Salaries of teachers	25,000	-	25,000	13,717	11,283
Purchased professional-educational services	10,000	1,000	11,000	2,483	8,517
Total Home Instruction	35,000	1,000	36,000	16,200	19,800
TOTAL SPECIAL EDUCATION - INSTRUCTION	8,706,745	390,616	9,097,361	8,504,055	593,306
Basic Skills/Remedial - Instruction					
Salaries of teachers	2,207,400	(46,000)	2,161,400	2,022,232	139,168
Unused sick pay	-	925	925	925	-
General supplies	3,500	215	3,715	2,587	1,128
Total Basic Skills/Remedial - Instruction	2,210,900	(44,860)	2,166,040	2,025,744	140,296
Bilingual Education - Instruction					
Salaries of teachers	576,700	81,000	657,700	625,287	32,413
Other salaries for instruction	68,782	-	68,782	60,301	8,481
Unused sick pay	-	22	22	22	-
Purchased educational services	-	12,310	12,310	-	12,310
Other purchased services (400-500 series)	1,900	-	1,900	-	1,900
General supplies	6,000	4,870	10,870	9,339	1,531
Total Bilingual Education - Instruction	653,382	98,202	751,584	694,949	56,635
School-Spon. Cocurricular Actvts. - Instruction					
Salaries	206,500	-	206,500	159,322	47,178
Purchased services (300-500 series)	13,500	(2,891)	10,609	8,402	2,207
Supplies and materials	6,000	6,420	12,420	8,838	3,582
Other objects	3,500	-	3,500	-	3,500
Total School-Spon. Cocurric. Actvts. - Instruction	229,500	3,529	233,029	176,562	56,467

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Athletics - Instruction					
Salaries	\$ 154,875	\$ -	\$ 154,875	\$ 132,940	\$ 21,935
Purchased services (300-500 series)	15,000	-	15,000	11,486	3,514
Supplies and materials	15,000	3,477	18,477	12,049	6,428
Other objects	3,500	-	3,500	2,310	1,190
Total School-Spon. Athletics - Instruction	188,375	3,477	191,852	158,785	33,067
Before/ After School Programs - Instruction					
Salaries of Teachers	162,400	-	162,400	125,213	37,187
Supplies and materials	-	-	-	-	-
General supplies	-	-	-	-	-
Total Other Instructional Programs - Instruction	162,400	-	162,400	125,213	37,187
TOTAL INSTRUCTION	36,290,721	522,793	36,813,514	34,745,535	2,067,979
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - Special	568,016	(59,412)	508,604	293,114	215,490
Tuition to CSSD & Regional Day Schools	-	-	-	-	-
Tuition to Private Schools for the Disabled - Within State	749,376	(5,964)	743,412	700,335	43,077
Tuition - Other	208,850	-	208,850	124,901	83,949
Total Undistributed Expenditures - Instruction	1,526,242	(65,376)	1,460,866	1,118,350	342,516
Undist. Expend. - Attendance and Social Work					
Salaries	253,290	-	253,290	253,164	126
Total Undistributed Expenditures - Attendance and Social Work	253,290	-	253,290	253,164	126
Undist. Expend. - Health Services					
Salaries	727,301	21,500	748,801	726,560	22,241
Purchased professional and technical services	25,000	(4,500)	20,500	16,000	4,500
Other purchased services (400-500 series)	22,700	(6,780)	15,920	3,854	12,066
Supplies and materials	13,000	1,110	14,110	13,741	369
Other objects	500	23,181	23,681	23,334	347
Total Undistributed Expenditures - Health Services	788,501	34,511	823,012	783,489	39,523
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries	1,242,991	-	1,242,991	1,142,997	99,994
Purchased professional - educational services	252,500	2,215	254,715	252,459	2,256
Supplies and materials	3,500	-	3,500	2,208	1,292
Unused sick pay	-	-	-	-	-
Total Undist. Expend. - Speech, OT, PT & Related Services	1,498,991	2,215	1,501,206	1,397,664	103,542
Undist. Expend. - Other Supp. Services - Stud. - Extraord. Ser.					
Salaries	655,269	(50,000)	605,269	595,364	9,905
Unused sick pay	-	8,410	8,410	8,410	-
Purchased professional - educational services	650,000	(32,340)	617,660	386,505	231,155
Supplies and materials	7,500	330	7,830	6,805	1,025
Total Undist. Expend. - Other Supp. Serv. Stud. - Extraord. Ser.	1,312,769	(73,600)	1,239,169	997,084	242,085
Undist. Expend. - Guidance					
Salaries of other professional staff	562,950	(21,500)	541,450	503,060	38,390
Salaries of secretarial and clerical assistants	42,174	-	42,174	42,072	102
Other salaries	4,000	-	4,000	1,010	2,990
Purchased professional - educational services	7,500	(6,000)	1,500	-	1,500
Other purchased services (400-500 series)	73,000	(502)	72,498	72,498	-
Supplies and materials	19,200	(6,425)	12,775	11,327	1,448
Total Undist. Expend. - Guidance	708,824	(34,427)	674,397	629,967	44,430
Undist. Expend. - Child Study Teams					
Salaries of other professional staff	1,370,150	34,300	1,404,450	1,388,162	16,288
Salaries of secretarial and clerical assistants	100,897	(250)	100,647	82,602	18,045
Other salaries	6,000	8,950	14,950	14,375	575
Unused sick pay	-	-	-	-	-
Purchased professional - educational services	3,500	-	3,500	-	3,500
Other purchased professional and technical services	21,500	285	21,785	17,809	3,976
Other purchased services (400-500 series)	450	-	450	-	450
Supplies and materials	5,500	3,500	9,000	6,619	2,381
Other objects	550	-	550	215	335
Total Undist. Expend. - Child Study Teams	1,508,547	46,785	1,555,332	1,509,782	45,550

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Improvement of Instruction Services					
Salaries of supervisor of instruction	\$ 524,720	\$ -	\$ 524,720	\$ 523,614	\$ 1,106
Salaries of other professional staff	97,600	3,000	100,600	95,466	5,134
Salaries of secretarial and clerical assist.	19,576	-	19,576	19,538	38
Other salaries	10,000	(2,425)	7,575	-	7,575
Unused sick pay	-	7,500	7,500	7,500	-
Salaries of Facilitators, Math & Literacy Coaches	474,450	7,425	481,875	458,324	23,551
Other purchased services (400-500)	22,800	(572)	22,228	19,774	2,454
Supplies and materials	2,500	-	2,500	-	2,500
Other objects	4,000	-	4,000	3,027	973
Total Undist. Expend. - Improvement of Instruction Services	1,155,646	14,928	1,170,574	1,127,243	43,331
Undist. Expend. - Educational Media Services/School Library					
Salaries	437,350	10,300	447,650	442,919	4,731
Salaries of Technology Coordinators	810,417	-	810,417	808,410	2,007
Supplies and materials	38,500	(10,273)	28,227	27,334	893
Other objects	16,500	-	16,500	13,898	2,602
Total Undist. Expend. - Ed. Media Services/School Library	1,302,767	27	1,302,794	1,292,561	10,233
Undist. Expend. - Instruction Staff Training Services					
Salaries of supervisors of instruction	2,500	-	2,500	-	2,500
Salaries of other professional staff	7,500	-	7,500	207	7,293
Salaries of secretarial & clerical assist.	23,363	-	23,363	23,306	57
Other salaries	5,000	-	5,000	4,914	86
Unused sick pay	-	-	-	-	-
Purchased professional - educational services	2,400	196	2,596	1,196	1,400
Other purchased services (400-500 series)	38,400	(8,359)	30,041	11,777	18,264
Supplies and materials	3,000	(2,000)	1,000	330	670
Other objects	6,430	(864)	5,566	436	5,130
Total Undist. Expend. - Instruction Staff Training Services	88,593	(11,027)	77,566	42,166	35,400
Undist. Expend. - Support Service - General Administration					
Salaries	311,306	(5,000)	306,306	287,952	18,354
Unused sick pay	-	-	-	-	-
Legal services	150,000	1,842	151,842	90,375	61,467
Audit fees	50,000	-	50,000	45,000	5,000
Architectural/Engineering Services	155,000	49,618	204,618	94,352	110,266
Other purchased professional services	55,000	-	55,000	36,000	19,000
Purchased technical services	11,000	-	11,000	9,000	2,000
Communications/Telephone	375,000	(8,000)	367,000	271,000	96,000
BOE other purchased services	5,000	-	5,000	3,687	1,313
Misc purchased services (400-500 series)	44,750	33,000	77,750	61,546	16,204
General supplies	4,000	-	4,000	788	3,212
BOE In-House Training/Meeting Supplies	2,500	5,000	7,500	6,026	1,474
Judgements against the School District	175,000	(20,000)	155,000	12,888	142,112
Miscellaneous expenditures	10,000	-	10,000	9,334	666
Membership Dues and Fees	30,000	-	30,000	26,903	3,097
Total Undist. Expend. - Support Service - Gen. Admin.	1,378,556	56,460	1,435,016	954,851	480,165
Undist. Expend. - Support Service - School Administration					
Salaries of principals/Assistant principals	2,323,685	6	2,323,691	2,323,185	506
Salaries of other professional staff	298,991	1	298,992	298,991	1
Salaries of secretarial and clerical assistants	849,395	(7)	849,388	828,120	21,268
Other salaries	11,500	-	11,500	5,610	5,890
Unused vacation pay	-	16,121	16,121	16,121	-
Purchased professional and technical services	-	1,100	1,100	535	565
Unused sick pay	-	5,065	5,065	5,065	-
Other purchased services (400-500 series)	35,250	(2,500)	32,750	19,068	13,682
Travel - All Other	-	-	-	-	-
Supplies and materials	52,155	45,599	97,754	88,868	8,886
Other objects	21,900	(200)	21,700	21,210	2,490
Total Undist. Expend. - Support Service - School Admin.	3,592,876	65,185	3,658,061	3,604,773	53,288
Undist. Expend. - Support Service - Central Services					
Salaries	969,773	-	969,773	952,866	16,907
Unused vacation pay	-	5,586	5,586	5,586	-
Purchased professional services	56,000	-	56,000	24,125	31,875
Purchased technical services	219,000	10,900	229,900	156,211	73,689
Other purchased services (400-500 series)	71,550	(2,200)	69,350	52,435	16,915
Supplies and materials	20,000	3,090	23,090	16,943	6,147
Other objects	9,850	-	9,850	4,773	5,077
Total Undist. Expend. - Support Service - Central Services	1,346,173	17,376	1,363,549	1,212,939	150,610

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Service - Admin. Information Tech.					
Salaries	\$ 189,888	\$ -	\$ 189,888	\$ 188,999	\$ 889
Unused sick pay	-	3,413	3,413	3,413	-
Purchased technical services	410,800	(47,494)	363,306	359,306	4,000
Other purchased services	12,200	(9,253)	2,947	2,947	-
Supplies and materials	5,000	4,320	9,320	6,505	2,815
Other objects	1,300	(1,300)	-	-	-
Total Undist. Expend. - Support Service - Admin. Info. Tech.	619,188	(50,314)	568,874	561,170	7,704
Interest Earned on Maintenance Reserve					
Interest earned on maintenance reserve	500	-	500	-	500
Total Interest Earned on Maintenance Reserve	500	-	500	-	500
Undist. Expend. - Required Maintenance for School Facilities					
Cleaning, repair and maintenance services	1,150,500	1,208,552	2,359,052	1,852,668	506,384
General supplies	200,000	203,426	403,426	362,138	41,288
Other objects	10,000	503,404	513,404	54,154	459,250
Total Undist. Expend. - Required Maint. for School Facilities	1,360,500	1,915,382	3,275,882	2,268,960	1,006,922
Undist. Expend. - Custodial services					
Salaries	3,755,621	(37,000)	3,718,621	3,653,911	64,710
Salaries of Non-instructional Aides	235,498	(66,000)	169,498	30,383	139,115
Unused vacation pay	-	29,168	29,168	29,168	-
Unused sick pay	-	10,570	10,570	10,570	-
Purchased professional and technical services	20,000	(7,250)	12,750	2,900	9,850
Cleaning, repair and maintenance services	360,000	(15,336)	344,664	322,503	22,161
Rental of land and building other than lease	-	5,250	5,250	4,680	570
Other purchased property services	200,000	-	200,000	163,115	36,885
Insurance	639,710	(47,200)	592,510	562,910	29,600
Miscellaneous purchased services	3,000	-	3,000	406	2,594
General supplies	350,000	(45,735)	304,265	272,773	31,492
Energy - Natural gas	415,000	100,000	515,000	478,282	36,718
Energy - Electricity	950,000	(100,000)	850,000	769,197	80,803
Energy - Gasoline	500	-	500	-	500
Other objects	28,250	-	28,250	17,654	10,596
Total Undist. Expend. - Custodial Services	6,957,579	(173,533)	6,784,046	6,318,452	465,594
Undistributed Expenditures - Care and Upkeep of Grounds					
Salaries	333,323	(7,500)	325,823	310,873	14,950
Cleaning, Repair, and Maintenance Services	260,000	(95,550)	164,450	115,572	48,878
General Supplies	70,000	16,284	86,284	60,659	25,625
Other Objects	10,500	-	10,500	2,368	8,132
Total Undistributed Expenditures - Care and Upkeep of Grounds	673,823	(86,766)	587,057	489,472	97,585
Undistributed Expenditures - Security					
Salaries	\$ 362,645	\$ 14,000	\$ 376,645	\$ 375,996	\$ 649
Unused sick pay	-	-	-	-	-
Purchased Professional & Technical Services	77,000	(37,800)	39,200	33,257	5,943
Cleaning, Repair, and Maintenance Services	50,000	(2,681)	47,319	36,822	10,497
General Supplies	19,000	(163)	18,837	8,235	10,602
Other Objects	11,200	1,900	13,100	4,257	8,843
Total Undistributed Expenditures - Security	519,845	(24,744)	495,101	458,567	36,534

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Student Transportation Services					
Salaries of Non-instructional Aides	\$ 325,828	\$ 5,000	\$ 330,828	\$ 316,816	\$ 14,012
Salaries for pupil transp.(between home and school) - Regular	2,554,295	(165,000)	2,389,295	2,062,860	326,435
Salaries for pupil transp.(between home and school) - Special	433,040	160,000	593,040	550,533	42,507
Salaries for pupil transp.(other than between home and school)	10,000	-	10,000	5,038	4,962
Unused vacation pay	-	4,989	4,989	4,989	-
Social security contributions	285,000	-	285,000	215,415	69,585
Workers compensation	200,000	(25,000)	175,000	-	175,000
Health benefits	1,800,000	-	1,800,000	1,800,000	-
Unused sick pay	-	23,198	23,198	21,415	1,783
Other purchased professional and technical services	55,000	72,481	127,481	114,722	12,759
Cleaning, repair and maintenance services	125,000	(42,000)	83,000	48,025	34,975
Lease purchase payments - School buses	400,000	-	400,000	395,145	4,855
Contract services (bet. home & sch) - Vendors	15,000	-	15,000	-	15,000
Contract services (other than between home & school) - Vendors	-	-	-	-	-
Contract services - Aid in Lieu of Payment for NP school students	150,000	20,000	170,000	168,458	1,542
Contract services - Aid in Lieu of Payment - Charter Schools	-	-	-	-	-
Contract services - Aid in Lieu of Payment - Choice Schools	-	-	-	-	-
Contract services (Between Home and School) - Joint agreements	40,000	-	40,000	-	40,000
Contract services (Sp Ed Stds) - Joint agreements	1,300,000	-	1,300,000	979,766	320,234
Contract services - (regular education students) - ESCs & CTSA's	70,000	42,000	112,000	99,985	12,015
Miscellaneous purchased services - Transportation	95,092	-	95,092	80,410	14,682
General supplies	10,000	2,000	12,000	5,769	6,231
Transportation Supplies	800,000	30,187	830,187	642,824	187,363
Other objects	6,000	-	6,000	4,325	1,675
Total Undist. Expend. - Student Transportation Services	8,674,255	127,855	8,802,110	7,516,495	1,285,615
UNALLOCATED EMPLOYEE BENEFITS					
Group Insurance	20,000	-	20,000	19,493	507
Social Security Contributions	1,000,000	-	1,000,000	929,672	70,328
T.P.A.F. Retirement Contribution	-	-	-	-	-
Other Retirement Contributions - PERS	1,850,000	(159,000)	1,691,000	1,574,777	116,223
Unemployment Compensation	200,000	-	200,000	-	200,000
Workmen's Compensation	350,000	75,000	425,000	258,172	166,828
Health Benefits	12,200,000	-	12,200,000	11,452,566	747,434
Tuition Reimbursement	170,000	19,568	189,568	109,117	80,451
Other Employee Benefits	426,500	(192,556)	233,944	109,613	124,331
Unused sick days	-	24,808	24,808	24,808	-
TOTAL UNALLOCATED EMPLOYEE BENEFITS	16,216,500	(232,180)	15,984,320	14,478,218	1,506,102
ON-BEHALF CONTRIBUTIONS					
On-behalf TPAF pension Contributions (non-budgeted)	-	-	-	13,440,441	(13,440,441)
On-behalf TPAF OPEB (Post Retire. Medical) Contrib.(non-budgeted)	-	-	-	3,530,772	(3,530,772)
On-behalf TPAF - LTDI (Non-budgeted)	-	-	-	4,396	(4,396)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	2,684,590	(2,684,590)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	19,660,199	(19,660,199)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	16,216,500	(232,180)	15,984,320	34,138,417	(18,154,097)
TOTAL UNDISTRIBUTED EXPENDITURES	51,483,965	1,528,757	53,012,722	66,675,566	(13,662,844)
TOTAL GENERAL CURRENT EXPENDITURES	87,774,686	2,051,550	89,826,236	101,421,101	(11,594,865)

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Grades Pre-Sch / Kindergarten	\$ -	\$ 2,705	\$ 2,705	\$ 2,705	\$ -
Grades 1-5	-	50,724	50,724	32,523	18,201
Grades 6-8	-	21,201	21,201	11,508	9,693
Special Education - Instruction:					
Learning language disabilities	-	3,550	3,550	3,547	3
Multiple disabilities	-	5,050	5,050	5,050	-
Vocational Programs:					
School - Sponsored and other instructional program	-	-	-	-	-
Undistributed:					
Undistributed expenditures - Extraordinary Services	-	-	-	-	-
Undistributed expenditures - Central services	10,000	-	10,000	-	10,000
Undistributed expenditures - Student support services	-	4,290	4,290	4,290	-
Undistributed expenditures - Admin Info Tech.	-	2,078	2,078	2,078	-
Undistributed expenditures - Operation & maint. Of plant services	169,500	(7,321)	162,179	39,961	122,218
Undistributed expenditures - Required Maintenance for School Fac.	-	-	-	-	-
Undistributed expenditures - Custodial	-	25,944	25,944	25,944	-
Undistributed expenditures - Care and Upkeep of Grounds	-	175,854	175,854	175,854	-
Undistributed expenditures - Security	-	-	-	-	-
Undistributed expenditures - Student transp. - Non-inst. Serv.	-	4,265	4,265	4,265	-
Undistributed expenditures - Student transp. - Buses Spec Ed	-	302,225	302,225	302,225	-
Undistributed expenditures - Student transp. - Buses Regular	-	-	-	-	-
Undistributed expenditures - Non-instr. Equip.	-	-	-	-	-
Undistributed expenditures - Non-instr. Serv.	10,000	-	10,000	-	10,000
Total Equipment	<u>189,500</u>	<u>590,565</u>	<u>780,065</u>	<u>609,950</u>	<u>170,115</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	243,000	-	243,000	-	243,000
Construction Services	1,532,500	16,254	1,548,754	790,909	757,845
Other Objects	-	-	-	-	-
Assessment for Debt Service on SDA	121,616	-	121,616	121,616	-
Total Facilities Acquisition and Construction Services	<u>1,897,116</u>	<u>16,254</u>	<u>1,913,370</u>	<u>912,525</u>	<u>1,000,845</u>
Assets Acquired Under Capital Leases (non-budgeted)					
Undistributed Expenditures:					
Interest Deposit to Capital Reserve	5,000	-	5,000	-	5,000
TOTAL CAPITAL OUTLAY	<u>2,091,616</u>	<u>606,819</u>	<u>2,698,435</u>	<u>1,522,475</u>	<u>1,175,960</u>
Transfer of Funds to Charter Schools	160,000	-	160,000	43,246	116,754
TOTAL EXPENDITURES	<u>90,026,302</u>	<u>2,658,369</u>	<u>92,684,671</u>	<u>102,986,822</u>	<u>(10,302,151)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	(9,694,725)	(2,021,969)	(11,716,694)	(1,298,034)	10,418,660
Fund Balance, July 1	26,159,923	-	26,159,923	26,159,923	-
Fund Balance, June 30	<u>\$ 16,465,198</u>	<u>\$ (2,021,969)</u>	<u>\$ 14,443,229</u>	<u>\$ 24,861,889</u>	<u>\$ 10,418,660</u>
Recapitulation:					
Restricted Fund Balance:					
Capital reserve				4,172,445	
Maintenance reserve				3,750,000	
Excess surplus - current year				3,779,174	
Excess surplus - designated for subsequent year's expenditures				4,523,975	
Unemployment compensation				930,257	
Assigned Fund Balance:					
Year-end encumbrances				2,004,345	
Designated for subsequent year's expenditures				2,804,808	
Unassigned fund balance				<u>\$ 2,896,885</u>	
Reconciliation to governmental funds statements (GAAP)					
Fund balance per governmental funds (Budgetary)				\$ 24,861,889	
Last state aid payment not recognized on GAAP basis				(894,786)	
Fund balance per governmental funds (GAAP) - B-1				<u>\$ 23,967,103</u>	

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local sources	\$ 131,508	\$ 221,307	\$ 352,815	\$ 193,201	\$ (159,614)
State sources	13,547	228,103	241,650	116,383	(125,267)
Federal sources	1,456,836	2,555,328	4,012,164	2,901,879	(1,110,285)
Total Revenues	<u>1,601,891</u>	<u>3,004,738</u>	<u>4,606,629</u>	<u>3,211,463</u>	<u>(1,395,166)</u>
EXPENDITURES					
Instruction:					
Salaries of teachers	309,867	(45,739)	264,128	175,000	89,128
Other salaries for instruction	-	-	-	-	-
Purchased professional services	-	43,010	43,010	37,795	5,215
Textbooks	-	-	-	-	-
Tuition	1,146,969	(123,400)	1,023,569	1,023,569	-
Miscellaneous expenditures	-	210	210	210	-
General supplies	101,657	1,060,125	1,161,782	643,625	518,157
Total instruction	<u>1,558,493</u>	<u>934,206</u>	<u>2,492,699</u>	<u>1,880,199</u>	<u>612,500</u>
Support services:					
Other professional staff salaries	-	177,815	177,815	127,765	50,050
Secretarial/clerical salaries	-	-	-	-	-
Personal services - employee benefits	-	139,796	139,796	66,957	72,839
Purchased professional - educational services	6,684	710,576	717,260	643,770	73,490
Other purchased professional services	-	-	-	-	-
Purchased technical services	-	-	-	-	-
Purchased property services	-	204,866	204,866	40,649	164,217
Travel	-	30,575	30,575	8,764	21,811
Other purchased services (400-500 series)	-	369,443	369,443	256,063	113,380
Miscellaneous expenditures	-	-	-	-	-
Supplies & materials	5,206	251,221	256,427	96,987	159,440
Scholarships awarded	-	-	-	-	-
Student activities	-	-	-	5,718	(5,718)
Total support services	<u>11,890</u>	<u>1,884,292</u>	<u>1,896,182</u>	<u>1,246,673</u>	<u>649,509</u>
Facilities acquisition and const. serv.:					
Instructional equipment	31,508	186,240	217,748	84,564	133,184
Total facilities acquisition and const. serv.	<u>31,508</u>	<u>186,240</u>	<u>217,748</u>	<u>84,564</u>	<u>133,184</u>
Total expenditures	<u>1,601,891</u>	<u>3,004,738</u>	<u>4,606,629</u>	<u>3,211,436</u>	<u>1,395,193</u>
Excess (deficiency) of revenues Over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27</u>	<u>\$ 27</u>
Fund Balance, July 1				36,009	
Fund Balance, June 30				<u>\$ 36,036</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 35,484	
Student Activities				552	
Total Fund Balance				<u>\$ 36,036</u>	

Note 1 - Not required to budget for these funds.

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required Supplementary Information
For the Year Ended June 30, 2023

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 101,688,788	[C-2]	\$ 3,211,463
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		323,259
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(13,440,441)		
The 2021-22 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense.		1,153,292		-
The 2022-23 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense.		(894,786)		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 88,506,853	[B-2]	\$ 3,534,722
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 102,986,822	[C-2]	\$ 3,211,436
Differences - budget to GAAP				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(13,440,441)		
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.		-		323,259
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 89,546,381	[B-2]	\$ 3,534,695

REQUIRED SUPPLEMENTARY INFORMATION - PART III

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability-PERS
For the Year Ended June 30, 2023

Last 10 Fiscal Years*

	<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>
District's proportion of the net pension liability	0.1587539904%	0.1585112960%	0.1666900955%	0.1588287779%	0.1399027135%	0.1376279961%	0.1392323789%	0.1248382499%	0.1238127314%
District's proportionate share of the net pension liability	\$ 31,097,380	\$ 49,368,825	\$ 49,368,825	\$ 36,972,601	\$ 27,546,147	\$ 24,978,477	\$ 22,705,160	\$ 14,788,962	\$ 18,685,046
District's covered-employee payroll	\$ -	\$ 12,521,737	\$ 10,892,044	\$ 9,832,578	\$ 9,817,852	\$ 9,892,094	\$ 9,275,875	\$ 8,968,632	\$ 8,777,981
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	394.26%	453.26%	376.02%	280.57%	252.51%	244.78%	164.90%	212.86%
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%

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of District Contributions-PERS
For the Year Ended June 30, 2023

Last 10 Fiscal Years*

	<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>
Contractually required contributions	\$ 1,308,745	\$ 1,374,291	\$ 1,489,636	\$ 1,487,427	\$ 1,394,605	\$ 1,341,479	\$ 1,530,806	\$ 1,462,001	\$ 1,561,338
Contributions in relation to the contractually required contribution	<u>1,308,745</u>	<u>1,489,636</u>	<u>1,489,636</u>	<u>1,487,427</u>	<u>1,408,621</u>	<u>1,348,090</u>	<u>1,530,806</u>	<u>1,462,001</u>	<u>1,574,777</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ (115,345)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (14,016)</u>	<u>\$ (6,611)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (13,439)</u>
District's covered-employee payroll	\$ 12,521,737	\$ 10,892,044	\$ 9,832,578	\$ 9,817,852	\$ 9,892,094	\$ 9,275,875	\$ 8,968,632	\$ 8,777,981	\$ 8,698,210
Contributions as a percentage of covered-employee payroll	0.00%	12.62%	15.15%	15.13%	14.10%	14.46%	17.07%	16.66%	17.95%

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability-TPAF
For the Year Ended June 30, 2023

Last 10 Fiscal Years*

	<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>
State's proportion of the net pension liability associated with the District	0.3077796387%	0.3268186055%	0.3170383423%	0.3217349288%	0.3271951076%	0.3229516518%	0.3225694287%	0.3226776759%	0.3225843330%
State's proportionate share of the net pension liability associated with the District	\$ 164,498,200	\$ 206,563,315	\$ 249,402,546	\$ 216,925,290	\$ 208,154,499	\$ 198,198,477	\$ 212,408,087	\$ 155,127,901	\$ 166,435,502
District's covered-employee payroll	33,113,319	33,711,862	34,199,757	34,806,395	35,416,068	36,046,616	36,350,575	37,590,978	37,675,493
Proportionate share of the net pension liability as a percentage of District's covered-employee payroll	496.77%	612.73%	729.25%	623.23%	587.74%	549.84%	584.33%	412.67%	441.76%
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%

The District has a special funding situation and is not required to make any payments for this liability therefore it is not recorded on the ACFR.

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2023
(Unaudited)

Last 10 Fiscal Years*

	2018	2019	2020	2021	2022	2023
State's proportion of the OPEB liability associated with the District						
Service cost	\$ 8,180,454	\$ 6,778,475	\$ 5,811,455	\$ 5,926,091	\$ 10,632,584	\$ 9,041,266
Interest cost	6,070,034	7,034,186	6,685,078	5,469,239	5,773,305	5,011,414
Changes of benefit terms	-	-	-	-	(236,882)	-
Differences between Expected and Actual Experiences	-	(12,724,361)	(26,962,456)	46,181,641	(41,192,949)	8,027,667
Changes in assumptions	(25,026,705)	(19,414,077)	2,272,962	45,987,774	219,567	(50,728,331)
Member contributions	163,645	156,349	138,716	132,846	147,595	159,246
Gross benefit payments	<u>(4,444,155)</u>	<u>(4,523,772)</u>	<u>(4,679,596)</u>	<u>(4,382,922)</u>	<u>(4,547,748)</u>	<u>(4,963,954)</u>
Net change in total OPEB liability	(15,056,727)	(22,693,200)	(16,733,841)	99,314,669	(29,204,528)	(33,452,692)
Total OPEB liability - beginning	<u>206,928,405</u>	<u>191,871,678</u>	<u>169,178,478</u>	<u>152,444,637</u>	<u>251,759,306</u>	<u>222,554,778</u>
Total OPEB liability - ending	<u>\$ 191,871,678</u>	<u>\$ 169,178,478</u>	<u>\$ 152,444,637</u>	<u>\$ 251,759,306</u>	<u>\$ 222,554,778</u>	<u>\$ 189,102,086</u>
District's covered employee payroll	\$ 49,860,884	\$ 50,137,978	\$ 50,009,767	\$ 50,585,661	\$ 49,046,905	\$ 49,293,552
Total State's OPEB liability as a percentage of covered employee payroll	385%	337%	305%	498%	454%	384%

* The schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled governments should present information for those years for which information is available.

Manalapan-Englishtown Regional School District
Notes to Required Supplementary Information - Part III
For the Year Ended June 30, 2023

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 5.40% as of June 30, 2021, to 7.00% as of June 30, 2022.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of June 30, 2021, to 7.00% as of June 30, 2022.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 2.21% as of June 30, 2021, to 2.16% as of June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules
Not Applicable

E. Special Revenue Fund

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
Special Revenue Fund
For the Year Ended June 30, 2023

	Title I Part A 22/23	Title II Part A 22/23	Title III 22/23	Title IV 22/23	IDEA-Part B-Basic Reg Prog 22/23
Revenues:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	196,313	58,744	31,706	10,467	1,487,824
Total revenues	<u>196,313</u>	<u>58,744</u>	<u>31,706</u>	<u>10,467</u>	<u>1,487,824</u>
Expenditures:					
Instruction:					
Salaries of teachers	107,885	-	12,396	-	-
Other salaries/instruction	-	-	-	-	-
Purchased professional services	-	-	-	-	-
General supplies	20,885	-	15,335	6,739	24,653
Tuition	-	-	-	-	1,023,569
Textbooks	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
Total instruction	<u>128,770</u>	<u>-</u>	<u>27,731</u>	<u>6,739</u>	<u>1,048,222</u>
Support services:					
Other support services - students - special:					
Other professional staff salaries	586	16,505	1,975	=	1,975
Purchased professional services	-	31,970	-	3,728	433,504
Purchased technical services	-	-	-	-	-
Purchased property services	-	-	-	-	-
Employee benefits	66,957	-	-	-	-
Travel	-	2,708	2,000	-	4,056
General supplies	-	7,561	-	-	67
Scholarships awarded	-	-	-	-	-
Student activities	-	-	-	-	-
Purchased prof.-educ.services	-	-	-	-	-
Total other support services - students - special	<u>67,543</u>	<u>58,744</u>	<u>3,975</u>	<u>3,728</u>	<u>439,602</u>
Total support services	<u>67,543</u>	<u>58,744</u>	<u>3,975</u>	<u>3,728</u>	<u>439,602</u>
Equipment:					
Non-instructional equipment	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 196,313</u>	<u>\$ 58,744</u>	<u>\$ 31,706</u>	<u>\$ 10,467</u>	<u>\$ 1,487,824</u>
Excess (deficiency) of revenues Over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued on next page)

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
Special Revenue Fund
For the Year Ended June 30, 2023

(Continued from prior page)

	IDEA-Part B-Preschool Reg Prog 22/23	Emergent Projects & Capital Maintenance 22/23	Climate Change 22/23	Chapter 192/193 Nonpublic Nursing 22/23
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	107,107	6,660	2,616
Federal sources	46,955	-	-	-
Total revenues	<u>46,955</u>	<u>107,107</u>	<u>6,660</u>	<u>2,616</u>
Expenditures:				
Instruction:				
Salaries of teachers	-	-	-	-
Purchased professional services	-	-	-	-
General supplies	1,729	-	2,595	-
Tuition	-	-	-	-
Textbooks	-	-	-	-
Miscellaneous expenses	-	-	-	-
Total instruction	<u>1,729</u>	<u>-</u>	<u>2,595</u>	<u>-</u>
Support services:				
Other support services - students - special:				
Other professional staff salaries	-	-	-	-
Purchased professional services	45,226	-	-	2,616
Other purchased professional services	-	107,107	4,065	-
Purchased technical services	-	-	-	-
Purchased property services	-	-	-	-
Employee benefits	-	-	-	-
Travel	-	-	-	-
General supplies	-	-	-	-
Scholarships awarded	-	-	-	-
Student activities	-	-	-	-
Purchased prof.-educ.services	-	-	-	-
Total other support services - students - special	<u>45,226</u>	<u>107,107</u>	<u>4,065</u>	<u>2,616</u>
Total support services	<u>45,226</u>	<u>107,107</u>	<u>4,065</u>	<u>2,616</u>
Equipment:				
Non-instructional equipment	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 46,955</u>	<u>\$ 107,107</u>	<u>\$ 6,660</u>	<u>\$ 2,616</u>
Excess (deficiency) of revenues Over (under) expenditures	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u># \$ -</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
Special Revenue Fund
For the Year Ended June 30, 2023

(Continued from prior page)

	ESSER II Mental Health 22/23	ESSER II 22/23	ESSER II Accelerated Learning
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	-
Federal sources	45,000	273,773	19,660
Total revenues	45,000	273,773	19,660
Expenditures:			
Instruction:			
Salaries of teachers	-	-	13,688
Other salaries/instruction	-	-	-
Purchased professional services	-	-	-
General supplies	-	269,979	-
Tuition	-	-	-
Textbooks	-	-	-
Miscellaneous expenses	-	-	-
Total instruction	-	269,979	13,688
Support services:			
Other support services - students - special:			
Other professional staff salaries	-	-	-
Purchased professional services	45,000	3,794	5,972
Purchased technical services	-	-	-
Purchased property services	-	-	-
Employee benefits	-	-	-
Travel	-	-	-
General supplies	-	-	-
Scholarships awarded	-	-	-
Student activities	-	-	-
Purchased prof.-educ.services	-	-	-
Total other support services - students - special	45,000	3,794	5,972
Total support services	45,000	3,794	5,972
Equipment:			
Non-instructional equipment	-	-	-
Total equipment	-	-	-
Total expenditures	\$ 45,000	\$ 273,773	\$ 19,660
Excess (deficiency) of revenues Over (under) expenditures	-	-	-
Fund Balance, July 1	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
Special Revenue Fund
For the Year Ended June 30, 2023

(Continued from prior page)

	American Rescue Plan						Beyond The School Day
	I.D.E.A. - Part B Basic	Preschool	ESSER III 22/23	Mental Health	Accelerated Learning	Summer Program	
Revenues:							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-
Federal sources	119,019	14,353	425,646	6,000	136,389	16,045	13,985
Total revenues	119,019	14,353	425,646	6,000	136,389	16,045	13,985
Expenditures:							
Instruction:							
Salaries of teachers	-	-	11,001	-	-	16,045	13,985
Other salaries/instruction	-	-	-	-	-	-	-
Purchased professional services	26,535	-	5,000	-	-	-	-
General supplies	52,152	13,265	155,722	-	-	-	-
Tuition	-	-	-	-	-	-	-
Textbooks	-	-	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-	-	-
Total instruction	78,687	13,265	171,723	-	-	16,045	13,985
Support services:							
Other support services - students - special:							
Other professional staff salaries	1,442	-	95,586	-	-	-	-
Purchased professional services	27,810	-	-	-	44,150	-	-
Other purchased professional services	-	-	144,891	-	-	-	-
Purchased technical services	-	-	-	-	-	-	-
Purchased property services	-	-	-	-	21,649	-	-
Employee benefits	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-
General supplies	11,080	1,088	601	6,000	70,590	-	-
Scholarships awarded	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Purchased prof.-educ.services	-	-	-	-	-	-	-
Total other support services - students - special	40,332	1,088	241,078	6,000	136,389	-	-
Total support services	40,332	1,088	241,078	6,000	136,389	-	-
Equipment:							
Non-instructional equipment	-	-	12,845	-	-	-	-
Total equipment	-	-	12,845	-	-	-	-
Total expenditures	\$ 119,019	\$ 14,353	\$ 425,646	\$ 6,000	\$ 136,389	\$ 16,045	\$ 13,985
Excess (deficiency) of revenues Over (under) expenditures	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(continued on next page)

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
Special Revenue Fund
For the Year Ended June 30, 2023

(Continued from prior page)

	Student Activity 22/23	Foundation for MERS 22/23	Scholarship Activity 22/23	Total 2023
Revenues:				
Local sources	\$ 5,745	\$ 187,456	\$ -	\$ 193,201
State sources	-	-	-	116,383
Federal sources	-	-	-	2,901,879
Total revenues	<u>5,745</u>	<u>187,456</u>	<u>-</u>	<u>3,211,463</u>
Expenditures:				
Instruction:				
Salaries of teachers	-	-	-	175,000
Other salaries/instruction	-	-	-	-
Purchased professional services	-	6,260	-	37,795
General supplies	-	80,571	-	643,625
Tuition	-	-	-	1,023,569
Textbooks	-	-	-	-
Miscellaneous expenses	-	210	-	210
Total instruction	<u>-</u>	<u>87,041</u>	<u>-</u>	<u>1,880,199</u>
Support services:				
Other support services - students - special:				
Other professional staff salaries	-	9,696	-	127,765
Purchased professional services	-	-	-	643,770
Other purchased professional services	-	-	-	256,063
Purchased technical services	-	-	-	-
Purchased property services	-	19,000	-	40,649
Employee benefits	-	-	-	66,957
Travel	-	-	-	8,764
General supplies	-	-	-	96,987
Scholarship awarded	-	-	-	-
Student activities	5,718	-	-	5,718
Purchased prof.-educ.services	-	-	-	-
Total other support services - students - special	<u>5,718</u>	<u>28,696</u>	<u>-</u>	<u>1,246,673</u>
Equipment:				
Regular programs instruction	-	71,719	-	84,564
Total equipment	<u>-</u>	<u>71,719</u>	<u>-</u>	<u>84,564</u>
Total expenditures	<u>\$ 5,718</u>	<u>\$ 187,456</u>	<u>\$ -</u>	<u>\$ 3,211,436</u>
Excess (deficiency) of revenues Over (under) expenditures	27	-	-	27
Fund Balance, July 1	<u>35,457</u>	<u>-</u>	<u>552</u>	<u>36,009</u>
Fund Balance, June 30	<u>\$ 35,484</u>	<u>\$ -</u>	<u>\$ 552</u>	<u>\$ 36,036</u>

F. Capital Projects Fund
Not Applicable

G. Proprietary Funds
See B-4 through B-6

H. Fiduciary Funds
Not Applicable

I. Long-Term Debt

**MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2023**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>July 1, 2022</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2023</u>
School District Bonds	10/15/2004	\$ 18,995,000				1,340,000	-	1,340,000	-
School District Bonds	1/31/2012	\$ 12,840,000				-	-	-	-
School District Bonds	7/8/2016	\$ 16,585,000				16,290,000	-	-	16,290,000
			10/01/24	3,010,000	4.000%				
			10/01/25	3,130,000	4.000%				
			10/01/26	3,260,000	4.000%				
			10/01/27	3,380,000	4.000%				
			10/01/28	3,510,000	4.000%				
School District Bonds	7/8/2021	\$ 4,780,000				4,685,000	-	1,615,000	3,070,000
			10/01/23	3,070,000	0.510%				
						<u>\$ 22,315,000</u>	<u>\$ -</u>	<u>\$ 2,955,000</u>	<u>\$ 19,360,000</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Financed Purchases
June 30, 2023

	Interest Rate Payables	Amount of Original Issue	Balance July 1, 2022	Additions Current Year	Retired Current Year	Balance June 30, 2023
5 - 54 Passenger Buses	2.15%	478,384	\$ 55,995	-	55,995	\$ -
6 - 54 and 2-24 Passenger Buses	1.94%	720,000	341,223	-	73,292	267,931
4 - 54, and 2 -24 Passenger Buses	2.02%	540,000	140,741	-	93,355	47,386
4 - 54, and 2 -24 Passenger Buses	3.99%	525,000	326,642	-	50,006	276,636
4 - 54 Passenger Buses	2.39%	415,000	332,736	-	38,236	294,500
			<u>\$ 1,197,337</u>	<u>\$ -</u>	<u>\$ 310,884</u>	<u>\$ 886,453</u>

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:					
Local sources:					
Local tax levy	\$ 3,315,563	\$ -	\$ 3,315,563	\$ 3,315,563	\$ -
Miscellaneous		-	-	-	-
Interest income	-	-	-	-	-
Total revenues - local sources	<u>3,315,563</u>	<u>-</u>	<u>3,315,563</u>	<u>3,315,563</u>	<u>-</u>
State sources:					
Debt service aid type II	345,943	-	345,943	345,943	-
Total state sources	<u>345,943</u>	<u>-</u>	<u>345,943</u>	<u>345,943</u>	<u>-</u>
Total Revenues	<u>3,661,506</u>	<u>-</u>	<u>3,661,506</u>	<u>3,661,506</u>	<u>-</u>
Expenditures					
Regular debt service:					
Interest	709,901	-	709,901	709,854	47
Redemption of principal	2,955,000	-	2,955,000	2,955,000	-
Total regular debt service	<u>3,664,901</u>	<u>-</u>	<u>3,664,901</u>	<u>3,664,854</u>	<u>47</u>
Total Expenditures	<u>3,664,901</u>	<u>-</u>	<u>3,664,901</u>	<u>3,664,854</u>	<u>47</u>
Excess (Deficiency) of revenues over (under) Expenditures	(3,395)	-	(3,395)	(3,348)	47
Other Financing Sources (Uses):					
Operating transfers in:					
Transfer from Capital Projects Fund	-	-	-	-	-
Payoff old bonds and interest				-	
Issuance of bonds				-	
Bond issuance costs				-	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of revenues and other financing sources (uses) over (under) expenditures	(3,395)	-	(3,395)	(3,348)	47
Fund Balances, July 1	-	-	-	76,629	-
Fund Balances, June 30	<u>\$ (3,395)</u>	<u>\$ -</u>	<u>\$ (3,395)</u>	<u>\$ 73,281</u>	<u>\$ 47</u>

STATISTICAL SECTION

**Manalapan-Englishtown Regional School District
Statistical Section**

<u>Contents</u>	<u>Page</u>
<p>Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.</p>	108-113
<p>Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.</p>	114-117
<p>Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</p>	118-121
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</p>	122-123
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</p>	124-129

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

Manalapan-Englishtown Regional School District
Net Position by Component
Last Ten Fiscal Years
UNAUDITED
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	\$ 43,331,202	\$ 54,812,614	\$ 54,992,019	\$ 55,084,790	\$ 57,217,737	\$ 68,999,876	\$ 70,706,123	\$ 71,954,497	\$ 74,370,391	\$ 75,025,050
Restricted	10,386,596	10,132,234	11,886,877	12,426,296	11,191,038	13,513,968	17,646,089	19,028,055	18,499,335	17,229,132
Unrestricted	8,023,356	(35,281,898)	(35,923,798)	(36,255,427)	(36,483,995)	(47,596,808)	(49,007,762)	(45,110,638)	(38,724,657)	(34,838,684)
Total governmental activities net position	\$ 61,741,154	\$ 29,662,950	\$ 30,955,098	\$ 31,255,659	\$ 31,924,780	\$ 34,917,036	\$ 39,344,450	\$ 45,871,914	\$ 54,145,069	\$ 57,415,498
Business-type activities										
Net investment in capital assets	\$ 254,423	\$ 224,458	\$ 229,272	\$ 206,440	\$ 197,447	\$ 215,533	\$ 198,055	\$ 164,311	\$ 235,746	\$ 264,663
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	329,089	429,382	532,804	685,879	879,647	608,091	637,010	659,413	1,151,738	1,287,664
Total business-type activities net position	\$ 583,512	\$ 653,840	\$ 762,076	\$ 892,319	\$ 1,077,094	\$ 823,624	\$ 835,065	\$ 823,724	\$ 1,387,484	\$ 1,552,327
District-wide										
Net investment in capital assets	\$ 43,585,625	\$ 55,037,072	\$ 55,221,291	\$ 55,291,230	\$ 57,415,184	\$ 69,215,409	\$ 70,904,178	\$ 72,118,808	\$ 74,606,137	\$ 75,289,713
Restricted	10,386,596	10,132,234	11,886,877	12,426,296	11,191,038	13,513,968	17,646,089	19,028,055	18,499,335	17,229,132
Unrestricted	8,352,445	(34,852,516)	(35,390,994)	(35,569,548)	(35,604,348)	(46,988,717)	(48,370,752)	(44,451,225)	(37,572,919)	(33,551,020)
Total district net position	\$ 62,324,666	\$ 30,316,790	\$ 31,717,174	\$ 32,147,978	\$ 33,001,874	\$ 35,740,660	\$ 40,179,515	\$ 46,695,638	\$ 55,532,553	\$ 58,967,825

Source: ACFR Schedule A-1 and District records.

Manalapan-Englishtown Regional School District
Changes in Net Position
Last Ten Fiscal Years
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities										
Instruction										
Regular	\$ 35,386,200	\$ 38,746,639	\$ 39,067,252	\$ 39,751,394	\$ 41,256,524	\$ 40,872,189	\$ 39,257,457	\$ 37,346,450	\$ 33,179,873	\$ 36,035,647
Special education	12,808,903	12,047,689	12,906,420	13,383,520	14,082,017	14,275,818	13,920,610	14,796,599	15,113,106	15,212,159
Other instruction	2,927,826	3,263,657	3,489,231	3,790,596	4,121,280	4,196,586	4,535,573	4,405,450	4,730,538	4,952,644
Nonpublic school programs	7,610	6,452	11,599	12,660	7,257	12,060	4,668	3,337	3,920	9,276
Support Services:										
Tuition	851,059	865,841	1,155,728	1,301,087	1,533,440	1,329,480	1,522,788	1,595,283	1,208,187	1,118,350
Student & instruction related services	7,357,737	7,590,149	7,829,552	8,156,242	8,178,758	8,449,975	7,987,405	8,132,786	8,022,846	8,327,680
General and Business administrative services	2,644,108	2,703,274	2,965,907	2,762,147	3,024,599	2,927,922	2,902,925	3,166,980	2,972,109	3,904,447
School administrative services	3,061,874	3,169,779	3,295,333	3,430,965	3,409,285	3,395,345	3,441,640	3,560,958	3,492,913	3,632,807
Plant operations and maintenance	9,433,435	8,662,640	8,142,265	9,105,355	7,859,192	9,264,036	8,360,081	9,235,651	9,822,884	10,957,086
Pupil transportation	7,133,698	7,207,730	6,971,802	6,422,458	7,700,610	8,032,709	7,689,579	7,094,987	7,594,172	7,819,181
Charter Schools	-	100,090	91,255	28,418	31,455	34,528	62,220	100,389	82,120	43,246
Interest on long-term debt	1,907,067	1,498,596	1,431,044	1,152,291	787,124	359,018	259,487	113,130	-	420,129
Total governmental activities expenses	<u>83,519,517</u>	<u>85,862,536</u>	<u>87,357,388</u>	<u>89,297,133</u>	<u>91,991,541</u>	<u>93,149,666</u>	<u>89,944,433</u>	<u>89,552,000</u>	<u>86,222,668</u>	<u>92,432,652</u>
Business-type activities:										
Food service	1,994,809	1,945,349	1,972,328	1,887,642	1,948,063	2,443,573	1,470,887	1,662,370	2,540,284	2,437,908
Total business-type activities expense	<u>1,994,809</u>	<u>1,945,349</u>	<u>1,972,328</u>	<u>1,887,642</u>	<u>1,948,063</u>	<u>2,443,573</u>	<u>1,470,887</u>	<u>1,662,370</u>	<u>2,540,284</u>	<u>2,437,908</u>
Total district expenses	<u>\$ 85,514,326</u>	<u>\$ 87,807,885</u>	<u>\$ 89,329,716</u>	<u>\$ 91,184,775</u>	<u>\$ 93,939,604</u>	<u>\$ 95,593,239</u>	<u>\$ 91,415,320</u>	<u>\$ 91,214,370</u>	<u>\$ 88,762,952</u>	<u>\$ 94,870,560</u>
Program Revenues										
Governmental activities:										
Charges for services	\$ -	\$ -	\$ -	\$ 37,215	\$ 23,608	\$ 83,906	\$ 54,713	\$ 34,379	\$ 18,741	\$ 113,200
Operating grants and contributions	7,511,687	7,699,434	8,234,480	8,791,830	9,424,830	9,788,310	9,922,660	11,871,215	14,768,761	15,291,640
Total governmental activities program revenues	<u>7,511,687</u>	<u>7,699,434</u>	<u>8,234,480</u>	<u>8,829,045</u>	<u>9,448,438</u>	<u>9,872,216</u>	<u>9,977,373</u>	<u>11,905,594</u>	<u>14,787,502</u>	<u>15,404,840</u>

Manalapan-Englishtown Regional School District
Changes in Net Position
Last Ten Fiscal Years
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services										
Food service	1,624,960	1,576,958	1,613,078	1,592,432	1,672,147	1,722,015	1,130,562	30,281	603,668	1,773,359
Operating grants and contributions	447,780	438,677	467,434	425,389	460,611	457,100	342,462	1,620,500	2,500,264	828,066
Total business type activities program revenues	<u>2,072,740</u>	<u>2,015,635</u>	<u>2,080,512</u>	<u>2,017,821</u>	<u>2,132,758</u>	<u>2,179,115</u>	<u>1,473,024</u>	<u>1,650,781</u>	<u>3,103,932</u>	<u>2,601,425</u>
Total district program revenues	<u>\$ 9,584,427</u>	<u>\$ 9,715,069</u>	<u>\$ 10,314,992</u>	<u>\$ 10,846,866</u>	<u>\$ 11,581,196</u>	<u>\$ 12,051,331</u>	<u>\$ 11,450,397</u>	<u>\$ 13,556,375</u>	<u>\$ 17,891,434</u>	<u>\$ 18,006,265</u>
Net (Expense)/Revenue										
Governmental activities	\$ (76,007,830)	\$ (78,163,102)	\$ (79,122,908)	\$ (80,468,088)	\$ (82,543,103)	\$ (83,277,450)	\$ (79,967,060)	\$ (77,646,406)	\$ (71,435,166)	\$ (77,027,812)
Business-type activities	77,931	70,286	108,184	130,179	184,695	(264,458)	2,137	(11,589)	563,648	163,517
Total district-wide net expense	<u>\$ (75,929,899)</u>	<u>\$ (78,092,816)</u>	<u>\$ (79,014,724)</u>	<u>\$ (80,337,909)</u>	<u>\$ (82,358,408)</u>	<u>\$ (83,541,908)</u>	<u>\$ (79,964,923)</u>	<u>\$ (77,657,995)</u>	<u>\$ (70,871,518)</u>	<u>\$ (76,864,295)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 52,583,623	\$ 54,942,228	\$ 56,603,915	\$ 58,286,034	\$ 60,996,055	\$ 63,687,865	\$ 64,961,622	\$ 66,260,854	\$ 67,586,071	\$ 69,335,036
Taxes levied for debt service	3,454,447	3,451,646	3,457,532	3,421,639	3,312,400	3,315,664	3,341,050	3,358,437	3,375,794	3,315,563
Unrestricted grants and contributions	20,511,322	19,876,153	19,767,029	19,138,157	18,314,823	17,220,468	15,415,739	12,787,479	8,073,985	6,595,735
Tuition received	384,137	25,194	22,326	-	-	-	-	-	-	-
Investment earnings	2,310	1,973	3,055	5,141	10,121	224,914	194,301	17,044	49,160	45,887
Miscellaneous income	268,022	377,281	561,251	(82,322)	578,825	1,820,795	481,762	882,320	623,311	1,006,020
Total governmental activities	<u>77,203,861</u>	<u>78,674,475</u>	<u>80,415,108</u>	<u>80,768,649</u>	<u>83,212,224</u>	<u>86,269,706</u>	<u>84,394,474</u>	<u>83,306,134</u>	<u>79,708,321</u>	<u>80,298,241</u>
Business-type activities:										
Investment earnings	-	-	-	64	80	10,988	9,304	248	112	1,326
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>64</u>	<u>80</u>	<u>10,988</u>	<u>9,304</u>	<u>248</u>	<u>112</u>	<u>1,326</u>
Total district-wide	<u>\$ 77,203,861</u>	<u>\$ 78,674,475</u>	<u>\$ 80,415,108</u>	<u>\$ 80,768,713</u>	<u>\$ 83,212,304</u>	<u>\$ 86,280,694</u>	<u>\$ 84,403,778</u>	<u>\$ 83,306,382</u>	<u>\$ 79,708,433</u>	<u>\$ 80,299,567</u>
Change in Net Position										
Governmental activities	\$ 1,196,031	\$ 511,373	\$ 1,292,200	\$ 300,561	\$ 669,121	\$ 2,992,256	\$ 4,427,414	\$ 5,659,728	\$ 8,273,155	\$ 3,270,429
Business-type activities	77,931	70,286	108,184	130,243	184,775	(253,470)	11,441	(11,341)	563,760	164,843
Total district	<u>\$ 1,273,962</u>	<u>\$ 581,659</u>	<u>\$ 1,400,384</u>	<u>\$ 430,804</u>	<u>\$ 853,896</u>	<u>\$ 2,738,786</u>	<u>\$ 4,438,855</u>	<u>\$ 5,648,387</u>	<u>\$ 8,836,915</u>	<u>\$ 3,435,272</u>

Source: ACFR Schedule A-2 and District records.

Manalapan-Englishtown Regional School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Restricted	\$ -	\$ -	\$ -	\$ 9,862,953	\$ 9,801,613	\$ 13,013,018	\$ 17,646,089	\$ 19,028,055	\$ 18,422,706	\$ 17,155,851
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	2,547,539	2,222,190	1,551,235	1,041,653	2,351,095	4,084,364	4,809,153
Unassigned	-	-	-	134,308	353,274	565,632	170,771	2,066,058	2,499,561	2,002,099
Reserved	10,266,327	10,079,164	11,833,833	-	-	-	-	-	-	-
Unreserved	(201,884)	(218,997)	167,884	-	-	-	-	-	-	-
Total general fund	<u>\$ 10,064,443</u>	<u>\$ 9,860,167</u>	<u>\$ 12,001,717</u>	<u>\$ 12,544,800</u>	<u>\$ 12,377,077</u>	<u>\$ 15,129,885</u>	<u>\$ 18,858,513</u>	<u>\$ 23,445,208</u>	<u>\$ 25,006,631</u>	<u>\$ 23,967,103</u>
All Other Governmental Funds										
Reserved	\$ 120,193	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Debit service fund	76	53,070	53,044	15,804	15,804	-	-	36,003	36,009	36,036
Capital projects fund	-	-	-	-	-	-	-	-	76,629	73,281
Total all other governmental funds	<u>\$ 120,269</u>	<u>\$ 53,070</u>	<u>\$ 53,044</u>	<u>\$ 15,804</u>	<u>\$ 15,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,003</u>	<u>\$ 112,638</u>	<u>\$ 109,317</u>

Source: ACFR Schedule B-1 and District records.

Manalapan-Englishtown Regional School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Tax levy	\$ 56,038,070	\$ 58,393,874	\$ 60,061,447	\$ 61,707,673	\$ 64,308,455	\$ 67,003,529	\$ 68,302,672	\$ 69,619,291	\$ 70,961,865	\$ 72,650,599
Tuition charges	384,137	25,194	22,326	37,215	23,608	83,906	54,713	34,369	18,736	107,455
Interest earnings	2,277	1,931	3,003	5,141	10,121	224,914	194,301	17,044	49,160	45,887
Miscellaneous	372,775	367,381	527,938	561,479	578,825	500,223	481,762	467,330	623,316	935,345
State sources	26,283,087	26,102,953	26,337,845	26,286,212	26,109,183	25,505,757	23,631,859	22,275,940	19,863,915	18,921,126
Federal sources	1,585,962	1,472,634	1,663,664	1,643,775	1,630,470	1,503,021	1,706,540	2,382,754	2,978,831	2,966,249
Total revenue	84,666,308	86,363,967	88,616,223	90,241,495	92,660,662	94,821,350	94,371,847	94,796,728	94,495,823	95,626,661
Expenditures										
Instruction										
Regular instruction	25,555,459	26,906,059	26,245,090	26,624,026	26,604,243	26,133,342	25,450,237	25,307,920	25,233,670	25,831,003
Special education instruction	9,942,662	9,014,473	9,489,536	9,810,505	10,207,322	10,581,687	10,527,349	11,873,611	13,182,029	12,831,024
Other instruction	2,187,052	2,476,876	2,597,128	2,854,593	3,109,222	3,258,185	3,670,146	3,668,279	4,248,053	4,360,863
Nonpublic school programs	7,610	6,452	11,599	12,660	7,257	12,060	4,668	3,337	3,920	9,276
Support Services:										
Student & instruction related services	7,999,564	8,349,238	8,781,944	9,260,737	9,483,799	9,426,258	9,203,424	9,421,300	9,005,216	9,151,470
General administrative services	1,057,947	1,128,898	1,259,453	1,071,405	1,296,086	1,277,294	1,376,544	1,672,542	1,349,906	2,130,338
School Administrative services	3,042,105	3,150,236	3,276,121	3,412,390	3,387,548	3,361,730	3,412,444	3,531,762	3,471,421	3,604,773
Business administrative services	1,584,661	1,572,876	1,704,954	1,690,742	1,728,513	1,650,628	1,526,381	1,494,438	1,622,203	1,774,109
Plant operations and maintenance	8,627,838	7,916,526	7,560,116	7,605,564	8,088,562	7,857,209	8,515,813	8,459,458	8,565,019	9,535,451
Pupil transportation	6,918,548	6,995,038	6,762,715	6,940,133	7,465,910	7,669,769	7,374,347	6,779,755	7,362,126	7,516,495
Unallocated employee benefits	12,346,233	13,047,464	13,968,989	15,215,905	15,775,542	16,475,615	15,456,094	14,617,616	13,109,087	14,521,464
Capital outlay	1,509,705	2,607,956	890,423	2,031,326	1,927,919	1,952,541	386,222	887,641	2,038,566	1,814,410
Debt service:										
Principal	2,015,000	2,065,000	2,125,000	2,515,000	2,270,000	2,385,000	2,495,000	2,620,000	2,850,000	2,955,000
Interest and other charges	1,947,072	1,876,734	1,801,631	1,407,528	1,476,462	1,363,600	1,244,550	1,119,107	816,549	709,854
Total expenditures	84,741,456	87,113,826	86,474,699	90,452,514	92,828,385	93,404,918	90,643,219	91,456,766	92,857,765	96,745,930
Excess (Deficiency) of revenues										
over (under) expenditures	(75,148)	(749,859)	2,141,524	(211,019)	(167,723)	1,416,432	3,728,628	3,339,962	1,638,058	(1,119,269)
Other Financing sources (uses)										
Capital leases (non-budgeted)	98,320	478,384	-	706,862	-	1,320,572	-	415,000	-	-
Payoff of old debt	-	-	-	(19,377,096)	-	-	-	-	(4,645,000)	-
Bond proceeds	-	-	-	16,585,000	-	-	-	-	4,780,000	-
Bond premium	-	-	-	2,974,727	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	-	-	-	-	-
Par amount of bonds	-	-	-	-	-	-	-	-	-	-
Prepaid interest	-	-	-	-	-	-	-	-	-	-
Costs of issuance	-	-	-	(172,631)	-	-	-	-	(135,000)	-
Transfers in	27	53,042	-	-	-	-	-	-	-	-
Transfers out	(27)	(53,042)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	98,320	478,384	-	716,862	-	1,320,572	-	415,000	-	-
Net change in fund balances	\$ 23,172	\$ (271,475)	\$ 2,141,524	\$ 505,843	\$ (167,723)	\$ 2,737,004	\$ 3,728,628	\$ 3,754,962	\$ 1,638,058	\$ (1,119,269)
Debt service as a percentage of										
noncapital expenditures	4.8%	4.7%	4.6%	4.4%	4.1%	4.1%	4.1%	4.1%	4.0%	3.9%

Source: ACFR Schedule B-2 and District records.

Note: Noncapital expenditures are total expenditures less capital outlay.

Manalapan-Englishtown Regional School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

<u>Fiscal Year Ended June 30,</u>	<u>Interest on Investments</u>	<u>Tuition Revenue</u>	<u>Rentals</u>	<u>Misc.</u>	<u>Total</u>
2014	1,360	384,137	25,145	193,670	604,312
2015	1,375	25,194	25,145	271,236	322,950
2016	1,443	22,326	25,145	360,015	408,929
2017	1,588	37,215	25,145	415,459	479,407
2018	1,623	23,608	34,237	359,240	418,708
2019	210,204	83,906	-	328,361	622,471
2020	192,302	54,713	72,342	146,558	465,915
2021	-	34,369	10,000	-	44,369
2022	-	18,736	44,401	-	63,137
2023	45,133	107,455	76,420	235,323	464,331

Source: District records

**Manalapan-Englishtown Regional School District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

MANALAPAN TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2014	47,846,600	5,359,086,600	32,130,400	2,269,200	380,616,076	20,269,600	-	5,842,218,476	-	-	5,842,218,476	2.044	6,109,982,591
2015	47,846,600	5,393,486,200	32,130,400	2,269,200	380,616,076	20,269,600	-	5,876,618,076	-	-	5,876,618,076	1.990	6,109,982,591
2016	34,938,600	5,786,849,660	33,999,000	1,956,900	423,168,000	20,454,000	-	6,301,366,160	-	-	6,301,366,160	1.969	6,109,982,591
2017	35,776,600	5,872,797,400	35,508,500	1,944,000	432,624,800	20,863,100	-	6,399,514,400	-	-	6,399,514,400	1.986	6,478,903,327
2018	38,604,600	6,071,386,900	37,918,200	1,895,900	467,772,800	23,587,100	-	6,641,165,500	-	-	6,641,165,500	2.023	6,692,366,754
2019	39,292,500	6,362,922,900	37,983,500	1,822,700	478,389,800	23,999,000	-	6,944,410,400	-	-	6,944,410,400	0.420	7,316,476,259
2020	39,292,500	6,362,922,900	37,983,500	1,822,700	478,389,800	23,999,000	-	6,944,410,400	-	-	6,944,410,400	0.984	7,316,476,259
2021	37,215,500	6,536,009,200	41,063,800	1,874,800	524,132,500	25,026,600	-	7,165,322,400	-	-	7,165,322,400	0.427	7,477,540,523
2022	62,548,100	7,708,575,500	47,521,700	1,740,000	562,635,200	26,881,900	-	8,409,902,400	-	-	8,409,902,400	0.358	7,810,466,972
2023	104,114,800	8,671,892,800	51,743,800	1,793,800	577,774,000	31,270,500	-	9,438,589,700	-	-	9,438,589,700	0.380	8,899,367,619

ENGLISHTOWN TOWNSHIP

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2014	3,274,100	206,535,000	-	-	35,332,500	7,617,200	1,262,100	254,020,900	-	-	254,020,900	1.969	221,639,386
2015	1,654,800	183,619,000	-	-	34,989,900	6,358,900	1,328,100	227,950,700	-	-	227,950,700	2.114	221,639,386
2016	1,576,900	183,420,400	-	-	35,820,000	6,452,500	13,268,100	240,537,900	-	-	240,537,900	2.114	221,639,386
2017	1,348,800	185,500,700	-	-	36,071,000	6,393,900	13,302,100	242,616,500	-	-	242,616,500	2.258	240,482,239
2018	1,320,400	190,588,800	-	-	35,421,300	6,396,800	14,458,700	248,186,000	-	-	248,186,000	2.340	253,041,801
2019	1,583,000	195,430,000	-	-	36,867,300	6,865,300	15,711,000	256,456,600	-	-	256,456,600	0.422	257,909,176
2020	1,583,000	195,430,000	-	-	36,867,300	6,865,300	15,711,000	256,456,600	-	-	256,456,600	0.000	257,909,176
2021	1,315,500	213,226,400	-	-	37,974,100	7,939,100	16,343,100	276,798,200	-	-	276,798,200	0.362	259,441,744
2022	1,389,300	257,450,400	-	-	39,489,700	8,700,500	17,044,200	324,074,100	-	-	324,074,100	0.326	275,448,502
2023	1,588,700	286,351,000	-	-	42,005,200	9,692,200	17,581,300	357,218,400	-	-	357,218,400	0.329	317,035,903

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

a Taxable Value of Machinery, Improvements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

**Manalapan-Englishtown Regional School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**
(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Manalapan-Englishtown Board of Education			Manalapan Township				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Freehold Regional School District	Manalapan Township	Library/Other	Monmouth County	
2014	0.882	0.063	0.945	0.436	0.352	0.019	0.292	2.044
2015	0.869	0.063	0.932	0.420	0.341	0.018	0.279	1.990
2016	0.870	0.063	0.933	0.414	0.338	0.018	0.266	1.969
2017	0.887	0.063	0.950	0.418	0.341	0.018	0.259	1.986
2018	0.905	0.049	0.954	0.415	0.337	0.020	0.297	2.023
2019	0.935	0.049	0.984	0.417	0.340	0.019	0.299	2.059
2020	0.935	0.049	0.984	0.417	0.341	0.019	0.298	2.059
2021	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-

Fiscal Year Ended June 30,	Manalapan-Englishtown Board of Education			Englishtown Borough				Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Freehold Regional School District	Englishtown Borough	Library/Other	Monmouth County	
2014	0.755	0.057	0.812	0.372	0.558	0.002	0.253	1.997
2015	0.816	0.057	0.873	0.373	0.591	0.001	0.276	2.114
2016	0.816	0.057	0.913	0.380	0.621	0.212	0.266	2.392
2017	0.816	0.057	0.933	0.414	0.621	0.038	0.252	2.258
2018	0.951	0.047	0.998	0.402	0.632	-	0.308	2.340
2019	0.869	0.045	0.914	0.403	0.630	0.019	0.307	2.273
2020	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-
2023	0.325	0.326	0.548	0.223	-	-	-	0.771

Source: District Records and Municipal Tax Collector

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

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

**Manalapan-Englishtown Regional School District
Principal Property Taxpayers
Current Year and Nine Years Ago**

MANALAPAN TOWNSHIP

Taxpayer	2023			Taxpayer	2014		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Manalapan Realty	\$ 66,036,100		0.79%	Manalapan Realty	\$ 42,593,600	1	0.74%
Manalapan VF	35,765,500		0.43%	Manalapan VF	29,989,700	2	0.52%
Meridian Living at Manalapan LLC	21,815,900		0.26%	Towne Pointe Associates	13,573,200	3	0.20%
Towne Pointe Associates	17,108,300		0.20%	Trans Equity Realty, LLC	9,694,600	4	0.17%
Fields of Dreams Real Estate, LLC	15,926,200		0.19%	Taylor 9 South Assoc., LLC	7,593,400	5	0.13%
Trans Equity Realty, LLC	11,945,000		0.14%	Monmouth Investors, LLC	7,500,000	6	0.13%
Tennent 9 Plaza, LLC	11,664,000		0.14%	Lenine, LLC	7,356,000	7	0.12%
Welltower NNN Group, LLC	9,653,000		0.11%	Pension Road Realty	6,400,000	8	0.11%
GAC Catering, Inc.	9,310,900		0.11%	Tech Park, LLC	6,275,400	9	0.11%
Gordons Corner Realty	9,118,900		0.11%	Englishtown Auction Sales, Inc.	6,245,200	10	0.10%
Total	\$ 208,343,800		2.48%	Total	\$ 137,221,100		2.33%

ENGLISHTOWN BOROUGH

Taxpayer	2023			Taxpayer	2014		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Stamford Square LLC	\$ 15,376,300		4.74%	Stamford Square, LLC	\$ 12,271,500	1	4.02%
BAL Governor's Crossing LLC	5,541,600		1.71%	BTR Enlishtown LLC	5,229,300	2	2.85%
Three Corners Venturs LLC	4,313,500		1.33%	Three Corners Ventures, LLC	4,762,200	3	1.65%
Village Center Associates, LLC	3,829,200		1.18%	BAL Governor's Crossing LLC	4,210,000	4	1.25%
Wernacs LLC	3,465,000		1.07%	Wemacs, LLC	2,387,000	5	0.94%
Ambe Holding LLC	2,908,600		0.90%	DCD LLC	1,987,000	6	0.87%
Five South Main St LLC	2,811,100		0.87%	Five South Main Street, LLC	1,850,000	7	0.85%
DCD LLC	2,549,900		0.79%	Brooklawn Gardens Inc.	1,925,100	8	0.80%
Degiacomo Realty, LLC	2,205,000		0.68%	K&K Englishtown, Inc.	1,782,800	9	0.70%
Lasatta Invesments, Inc.	1,466,700		0.45%	Individual Taxpayer 1	1,034,100	10	0.54%
Total	\$ 44,466,900		13.72%	Total	\$ 37,439,000		14.47%

**Manalapan-Englishtown Regional School District
Property Tax Levies and Collections
Last Ten Fiscal Years**

MANALAPAN TOWNSHIP

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	124,737,609	123,464,749	98.98%	-
2015	127,567,302	126,509,641	99.17%	-
2016	129,137,983	128,058,185	99.16%	-
2017	133,051,144	131,837,254	99.09%	-
2018	137,772,234	136,634,045	99.17%	-
2019	140,803,223	140,111,420	99.51%	-
2020	143,281,599	141,940,487	99.06%	-
2021	-	-	0.00%	-
2022	148,637,255	147,453,255	99.20%	-
2023	149,613,843	148,294,854	99.12%	-

ENGLISHTOWN BOROUGH

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	2,005,425	2,005,425	100.00%	-
2015	2,035,309	2,035,309	100.00%	-
2016	2,101,730	2,101,730	100.00%	-
2017	2,263,482	2,263,482	100.00%	-
2018	2,477,648	2,477,648	100.00%	-
2019	2,551,977	2,551,977	100.00%	-
2020	2,628,536	2,628,536	100.00%	-
2021	-	-	0.00%	-
2022	2,558,404	2,558,404	100.00%	-
2023	2,750,997	2,750,997	100.00%	-

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

Note: 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, which is the amount voted upon or certified, prior to the end of the school year.

**Manalapan-Englishtown Regional 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 ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2014	43,920,000	-	1,026,782	-	-	44,946,782	0.14%	61,426
2015	41,855,000	-	1,111,256	-	-	42,966,256	0.15%	62,901
2016	39,730,000	-	727,455	-	-	40,457,455	0.16%	66,019
2017	34,800,000	-	1,026,183	-	-	35,826,183	0.19%	69,410
2018	32,530,000	-	889,134	-	-	33,419,134	0.21%	71,237
2019	30,145,000	-	1,804,471	-	-	31,949,471	0.23%	73,303
2020	27,650,000	-	1,470,690	-	-	29,120,690	0.28%	80,543
2021	25,030,000	-	1,501,257	-	-	26,531,257	0.00%	-
2022	22,315,000	-	1,197,337	-	-	23,512,337	0.00%	-
2023	19,360,000	-	886,453	-	-	20,246,453	0.00%	-

Source: District ACFR Schedules I-1, I-2

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

- a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

**Manalapan-Englishtown Regional School District
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

<u>General Bonded Debt Outstanding</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2014	43,920,000	-	43,920,000	0.72%	61,426
2015	41,855,000	-	41,855,000	0.68%	62,901
2016	39,730,000	-	39,730,000	0.61%	66,019
2017	34,800,000	-	34,800,000	0.52%	69,410
2018	32,530,000	-	32,530,000	0.47%	71,237
2019	30,145,000	-	30,145,000	0.42%	73,303
2020	-	-	-	0.00%	80,543
2021	25,030,000	-	25,030,000	0.34%	-
2022	22,315,000	-	22,315,000	0.30%	-
2023	19,360,000	-	19,360,000	0.20%	-

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

**Manalapan-Englishtown Regional School District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2023**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Manalapan Township	\$ -	0.0000%	\$ -
Englishtown Borough	-	0.0000%	-
Other debt			
Western Monmouth Utility Authority	-	0.0000%	-
Freehold Regional High School:			
Manalapan Township	-	0.00000%	-
Englishtown Borough	-	0.000000%	-
Monmouth County:			
Manalapan Township	-	0.0000%	-
Englishtown Borough	-	0.0000%	-
Subtotal, overlapping debt			-
Manalapan-Englishtown School District Direct Debt			19,360,000
Total direct and overlapping debt			\$ 19,360,000

Sources: Manalapan Township Finance Officer, Englishtown Borough Finance Officer, Monmouth County Finance Office and Utility Authorities.

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 Manalapan and Englishtown. This process recognizes that, when considering the District's ability to issue and repay long-term debt, 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 payment.

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

**Manalapan-Englishtown Regional School District
Legal Debt Margin Information
Last Ten Fiscal Years
UNAUDITED**

Legal Debt Margin Calculation for Fiscal Year 2022

										Equalized valuation basis
										2023 \$ 8,899,367,619
										2022 7,810,466,972
										2021 7,477,540,523
										<u>[A] \$ 24,187,375,114</u>
Average equalized valuation of taxable property										<u>[A/3] \$ 8,062,458,371</u>
Debt limit (3% of average equalization value)										<u>[B] 241,873,751 ^a</u>
Net bonded school debt										<u>[C] 18,521,712</u>
Legal debt margin										<u>[B-C] \$ 223,352,039</u>
Fiscal Year for Manalapan Township										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 179,662,866	\$ 184,518,826	\$ 187,299,015	\$ 190,988,223	\$ 131,712,701	\$ 204,877,463	\$ 213,253,193	\$ 221,104,930	\$ 226,044,838	\$ 241,873,751
Total net debt applicable to limit	<u>42,018,264</u>	<u>40,042,679</u>	<u>38,009,691</u>	<u>33,293,160</u>	<u>31,121,451</u>	<u>28,839,722</u>	<u>26,452,755</u>	<u>23,946,201</u>	<u>21,346,761</u>	<u>18,521,712</u>
Legal debt margin	<u>\$ 137,644,602</u>	<u>\$ 144,476,147</u>	<u>\$ 149,289,324</u>	<u>\$ 157,695,063</u>	<u>\$ 100,591,250</u>	<u>\$ 176,037,742</u>	<u>\$ 186,800,438</u>	<u>\$ 197,158,729</u>	<u>\$ 204,698,077</u>	<u>\$ 223,352,039</u>
Total net debt applicable to the limit as a percentage of debt limit	23.39%	21.70%	20.29%	17.43%	23.63%	14.08%	12.40%	10.83%	9.44%	7.66%

Legal Debt Margin Calculation for Fiscal Year 2022

										Equalized valuation basis
										2023 \$ 317,035,903
										2022 275,448,502
										2021 259,441,744
										<u>[A] \$ 851,926,149</u>
Average equalized valuation of taxable property										<u>[A/3] \$ 283,975,383</u>
Debt limit (3% of average equalization value)										<u>[B] 8,519,261 ^a</u>
Net bonded school debt										<u>[C] 838,288</u>
Legal debt margin										<u>[B-C] \$ 7,680,973</u>
Fiscal Year for Englishtown Borough										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 6,772,660	\$ 6,702,030	\$ 6,778,499	\$ 6,966,928	\$ 4,935,240	\$ 7,514,332	\$ 7,688,602	\$ 7,752,601	\$ 7,927,994	\$ 8,519,261
Total net debt applicable to limit	<u>1,901,736</u>	<u>1,812,322</u>	<u>1,720,309</u>	<u>1,506,840</u>	<u>1,408,549</u>	<u>1,305,279</u>	<u>1,197,245</u>	<u>1,083,799</u>	<u>966,240</u>	<u>838,288</u>
Legal debt margin	<u>\$ 4,870,924</u>	<u>\$ 4,889,708</u>	<u>\$ 5,058,190</u>	<u>\$ 5,460,088</u>	<u>\$ 3,526,691</u>	<u>\$ 6,209,054</u>	<u>\$ 6,491,357</u>	<u>\$ 6,668,802</u>	<u>\$ 6,961,754</u>	<u>\$ 7,680,973</u>
Total net debt applicable to the limit as a percentage of debt limit	28.08%	27.04%	25.38%	21.63%	28.54%	17.37%	15.57%	13.98%	12.19%	9.84%

Source: Abstract of Ratables and District Records ACFR Schedule J-6

^a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

Manalapan-Englishtown Regional School District
Demographic and Economic Statistics
Last Ten Fiscal Years
UNAUDITED

MANALAPAN TOWNSHIP

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2014	39,851	2,447,887,526	61,426	7.0%
2015	39,987	2,515,222,287	62,901	4.4%
2016	40,169	2,651,917,211	66,019	4.4%
2017	40,018	2,777,649,380	69,410	4.1%
2018	39,956	-	71,237	0.0%
2019	-	-	73,303	0.0%
2020	39,596	3,189,180,628	80,543	2.8%
2021	40,905	3,294,611,415	80,543	0.0%
2022	40,637	3,273,025,891	80,543	0.0%
2023	40,661	2,546,476,447	62,627	3.4%

ENGLISHTOWN BOROUGH

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income (thousands of dollars) ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2014	1,948	119,657,848	61,426	6.4%
2015	1,962	123,411,762	62,901	6.4%
2016	1,955	129,067,145	66,019	5.4%
2017	1,938	134,516,580	69,410	4.5%
2018	1,925	-	71,237	5.8%
2019	-	-	73,303	0.0%
2020	2,078	167,368,354	80,543	4.7%
2021	2,078	167,368,354	80,543	4.7%
2022	2,355	167,368,354	85,465	4.6%
2023	2,145	197,876,250	92,250	5.8%

Source:

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

^b Personal income not available by municipality

^c Per Capita Income not available by municipality

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

**Manalapan-Englishtown Regional School District
Principal Employers
Current Year and Ten Years Ago
UNAUDITED**

Employer	2023			2014		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Manalapan-Englishtown Regional School District	-	1	0.00%	-	1	0.00%
Wegman's Super Market	-	2	0.00%	-	2	0.00%
Manalapan Township	-	4	0.00%	-	4	0.00%
Target	-	3	0.00%	-	3	0.00%
Stop-N-Shop	-	5	0.00%	-	5	0.00%
Navicore Solutions	-	-	0.00%	-	-	0.00%
Applebee's	-	6	0.00%	-	6	0.00%
Rex Lumber	-	9	0.00%	-	9	0.00%
Western Monmouth Utilities	-	7	0.00%	-	7	0.00%
Babies R Us	-	8	0.00%	-	8	0.00%
Petsmart	-	10	0.00%	-	10	0.00%
Club Metro	-	-	0.00%	-	-	0.00%
Turning Point	-	-	0.00%	-	-	0.00%
Schoor DePalma	-	-	0.00%	-	-	0.00%
Best Buy, Inc.	-	-	0.00%	-	-	0.00%
Reiss Manufacturing, Inc.	-	-	0.00%	-	-	0.00%
Hair Systems, Inc.	-	-	0.00%	-	-	0.00%
Pinebrook Care Center	-	-	0.00%	-	-	0.00%
Liberty Manor	-	-	0.00%	-	-	0.00%
	-		0.00%	-		0.00%
	-		0.00%	-		0.00%

Source: Township Administration Office

Note: Percentage of total employment not available.

**Manalapan-Englishtown Regional School District
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
UNAUDITED**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Instruction										
Regular	296	289	291	291	291	291	290	290	290	285
Special education	180	172	172	180	180	180	180	180	180	182
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	84	120	114	110	113	109	109	109	109	109
General administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	38	39	39	39	39	38	38	38	38	38
Business administrative services	16	17	17	17	17	16	16	16	16	16
Plant operations and maintenance	96	98	101	97	97	97	97	97	97	97
Pupil transportation	91	89	90	86	86	86	86	86	86	86
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Total	803	826	826	822	825	819	818	818	818	815

Source: District Personnel Records

**Manalapan-Englishtown Regional School District
Operating Statistics
Last Ten Fiscal Years
UNAUDITED**

Fiscal Year Ended June 30,	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2014	5,090	79,269,679	15,574	3.45%	803	13:01	13:01	5,057	4,849	-1.19%	95.89%
2015	5,116	80,564,136	15,747	1.12%	826	12:01	12:01	5,097	4,889	0.79%	95.92%
2016	5,039	81,657,645	16,205	2.91%	826	12:01	12:01	5,097	4,889	0.00%	95.92%
2017	5,059	84,498,660	16,703	3.07%	822	12:01	12:01	5,010	4,799	-1.71%	95.79%
2018	5,051	87,160,758	17,256	6.49%	825	12:01	12:01	5,050	4,808	-0.92%	95.21%
2019	4,925	87,703,777	17,808	9.89%	819	12:01	12:01	4,985	4,780	-2.20%	95.89%
2020	4,889	86,517,447	17,696	9.20%	818	12:01	12:01	4,902	4,764	-3.83%	97.18%
2021	5,068	86,830,018	16,827	3.84%	818	12:01	12:01	4,902	4,764	-3.83%	97.18%
2022	4,723	87,152,650	18,453	9.66%	818	11:01	11:01	4,678	4,464	-4.57%	95.43%
2023	4,723	91,266,266	19,324	14.84%	815	12:01	11:01	4,705	4,592	-4.02%	97.60%

Sources: District records, ASSA and Schedules J-4, J-12, J-14

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Manalapan-Englishtown Regional School District
School Building Information
Last Ten Fiscal Years
UNAUDITED**

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
District Building											
Early Learning Center											
John I. Dawes Early Learning Center (2008)											
	Square Feet	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000
	Capacity (students)	550	550	550	550	550	550	550	550	550	550
	Enrollment	530	530	530	530	420	361	373	317	356	383
Elementary											
Clark Mills Elementary (1957)											
	Square Feet	73,551	73,551	73,551	73,551	73,551	73,551	73,551	73,551	73,551	73,551
	Capacity (students)	851	851	851	851	851	851	851	851	851	851
	Enrollment	605	605	605	605	535	510	494	465	475	485
Taylor Mills Elementary (1965)											
	Square Feet	73,454	73,454	73,454	73,454	73,454	73,454	73,454	73,454	73,454	73,454
	Capacity (students)	521	521	521	521	521	521	521	521	521	521
	Enrollment	519	519	519	519	577	601	600	551	575	559
Pine Brook Elementary (1966)											
	Square Feet	83,260	83,260	83,260	83,260	83,260	83,260	83,260	83,260	83,260	83,260
	Capacity (students)	816	816	816	816	816	816	816	816	816	816
	Enrollment	778	778	778	778	616	565	564	587	532	532
Lafayette Mills Elementary (1968)											
	Square Feet	63,230	63,230	63,230	63,230	63,230	63,230	63,230	63,230	63,230	63,230
	Capacity (students)	517	517	517	517	517	517	517	517	517	517
	Enrollment	508	508	508	508	513	515	476	494	471	450
Milford Brook Elementary (1971)											
	Square Feet	68,900	68,900	68,900	68,900	68,900	68,900	68,900	68,900	68,900	68,900
	Capacity (students)	584	584	584	584	584	584	584	584	584	584
	Enrollment	604	604	604	604	535	544	529	526	531	517
Wemrock Brook Elementary (2002)											
	Square Feet	98,252	98,252	98,252	98,252	98,252	98,252	98,252	98,252	98,252	98,252
	Capacity (students)	642	642	642	642	642	642	642	642	642	642
	Enrollment	631	631	631	631	633	636	631	576	588	606
Middle School											
Manalapan Englishtown Middle (1992)											
	Square Feet	278,977	278,977	278,977	278,977	278,977	278,977	278,977	278,977	278,977	278,977
	Capacity (students)	1,424	1,424	1,424	1,424	1,424	1,424	1,424	1,424	1,424	1,424
	Enrollment	1,346	1,346	1,346	1,346	1,222	1,193	1,224	1,166	1,194	1,177
Other											
Administration Building (1909)											
	Square Feet	12,109	12,109	12,109	12,109	12,109	12,109	12,109	12,109	12,109	12,109
Transportation (2002)											
	Square Feet	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760	4,760
Bus Repair Facility (2003)											
	Square Feet	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Bus Wash Facility (2002)											
	Square Feet	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Fuel Facility (2002)											
	Square Feet	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000

Number of Schools at June 30, 2022

Early Learning Center = 1
Elementary = 6

Source: District records, ASSA

Middle School = 1
Other = 5

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions. Enrollment is based on the annual October district count.

**Manalapan-Englishtown Regional School District
Schedule of Required Maintenance Expenditures by School Facility
Last Ten Fiscal Years
UNAUDITED**

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-xxx**

* School Facilities Project # (s)	Clark Mills Elementary N/A	Lafayette Mills Elementary N/A	Manalapan- Englishtown Middle N/A	Milford Brook Elementary N/A	Pine Brook Elementary N/A	Taylor Mills Elementary N/A	Wemrock Brook Elementary N/A	John I. Dawes Early Learning Center N/A	Other Facilities	Total
2014	117,546	101,052	445,850	110,113	133,063	117,391	157,022	67,123	40,544	1,289,704
2015	82,763	71,149	313,918	77,530	93,688	82,654	110,558	47,260	28,546	908,067
2016	84,014	72,225	318,662	78,701	95,104	83,903	112,228	47,975	28,978	921,790
2017	93,296	80,204	353,869	87,396	105,611	93,173	124,628	53,275	32,179	1,023,631
2018	111,907	96,204	424,460	104,830	126,679	111,759	149,489	63,902	38,599	1,227,829
2019	110,289	94,812	418,322	103,314	124,847	110,143	147,327	62,978	38,040	1,210,073
2020	135,862	116,797	515,320	127,271	153,796	135,683	181,489	77,581	46,861	1,490,660
2021	134,239	115,402	509,163	125,750	151,959	134,062	179,321	76,655	46,301	1,472,850
2022	137,778	118,445	522,589	129,066	155,965	137,597	184,049	78,676	47,522	1,511,687
2023	206,798	177,779	784,378	193,721	234,096	206,525	276,248	118,088	71,328	2,268,960
Total School Facilities	\$ 1,214,490	# \$ 1,044,069	# \$ 4,606,531	# \$ 1,137,693	# \$ 1,374,808	# \$ 1,212,889	# \$ 1,622,358	# \$ 693,514	\$ 418,899	\$ 13,325,251

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

Source: District records

**Manalapan-Englishtown Regional School District
Insurance Schedule
June 30, 2023
Unaudited**

Company	Type of Coverage	Coverage	Deductible
COMMERCIAL PACKAGE POLICY			
Utica Mutual Insurance	Property Blanket Building & Contents (Replacement Cost Values)	\$ 300,653,735	\$ 5,000
	Flood	5,030,000	25,000
	Earthquake	3,000,000	25,000
	Limited Water Damage	500,000	-
	Personal Property Limit	Included	-
	Business Income/Extra Expense	Actual loss sustained	-
	Property in Transit	100,000	
	Property off Premises	100,000	
	Data Processing Equipment	75,000	
	Data Media & Computer Programs	10,000	
	Extra Expense	10,000	-
	Boiler & Machinery	Included	25,000
	Ordinance or Law Coverage		
	Coverage A - Loss to undamaged portion of insuranc	Value per SOV	-
	Coverage B - Demolition Cost	1,000,000	-
	Coverage C - Inc Cost of Insurance	1,000,000	1,000
	Pollutant Clean-up & Removal	100,000	-
	Utility Services Per Building	500,000	-
	Miscellaneous Equipment	500,000	500
Utica Mutual Insurance	Inland Marine: Additional Limits		
	Data/Media Computer Programs -		
	Blanket All Locations	7,893,300	1,000
	Extra Expense - Blanket All Locations	240,000	-
	Musical Instruments	500,000	500
	Outside Equipment	25,000	-
	Valuable Papers & Records	100,000	-
Utica Mutual Insurance	Crime Coverage		
	Employee Dishonesty	100,000	5,000
	Forgery or Alteration	100,000	None
	Money & Securities		
	Inside Premises	25,000	-
	Outside Premises	25,000	-
Utica Mutual Insurance	Comprehensive General Liability		
	Per Occurrence	1,000,000	None
	General Aggregate	3,000,000	None
	Products/Completed Operations	3,000,000	None
	Personal/Advertising Injury	1,000,000	None
	Fire/Legal Damage	1,000,000	None
	Medical Expense	10,000	None
	Employee Benefit Liability(excludes students)	1,000,000	1,000
	Aggregate	3,000,000	1,000
	School District/Educational Legal		
	Occurrence	1,000,000	-
	Aggregate	3,000,000	-
	Retention	10,000	-
	Maximum Additional Defense	100,000/50,000	-
	Abuse/Molestation Liability	-	
	Each Claim	1,000,000	-
	Aggregate	3,000,000	-

(Continued)

Source: District Records

Manalapan-Englishtown Regional School District
Insurance Schedule
June 30, 2023
Unaudited

Company	Type of Coverage	Coverage	Deductible
Utica Mutual Insurance	Automobile Policy		
	Automobile Liability	\$ 1,000,000	\$ -
	Uninsured/Underinsured Motorist	1,000,000	-
	Medical Payments	10,000	
	Comprehensive General Liability	Included	500
	Collision Coverage	Included	1,000
Utica Mutual Insurance	Umbrella Liability		
	Each Occurrence	10,000,000	-
	General Aggregate	10,000,000	-
	Self Insured Retention	10,000	-
Fireman's Fund	Excess Umbrella - NJ CAP Program		
	Limit of Insurance	25,000,000	None
Star Insurance Company	Excess Worker's Compensation		
	Coverage A - Worker's Compensation	25,000,000	-
	Coverage B - Employers Liability	1,000,000	-
	Self Insured Retention	400,000	-
	Cash Flow Protection	200,000	-
Zurich	Student Accident - Voluntary Program		
	Accident Medical Class I	1,000,000	-
	Accident Medical Class II	50,000	
Western Surety Ohio Casualty	Fidelity Bonds		
	School Business Administrator/Board Secy. Asst. School Bus. Admin./Asst. Bd. Secy.	400,000 400,000	None None
Commerce & Industry	Underground Storage Tank		
	Each Occurrence Annual Aggregate	2,000,000 2,000,000	5,000 5,000
Lloyd's of London	Cyber Liability		
	Limit of Liability Retention	1,000,000 10,000	
Lloyd's Syndicate	Environmental Liability		
	Limit of Liability	1,000,000	25,000

SINGLE AUDIT SECTION



K-1

**INDEPENDENT AUDITOR'S 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***

Honorable President and
Members of the
Manalapan-Englishtown Regional School District
County of Monmouth
Englishtown, New Jersey 07728

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Manalapan-Englishtown Regional School District in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise of the Manalapan-Englishtown Regional School District basic financial statements, and have issued our report thereon dated November 9, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Manalapan-Englishtown Regional School 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 Manalapan-Englishtown Regional School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Manalapan-Englishtown Regional School 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 School 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 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 may exist that have not been identified.

Report on Compliance and Other Matters

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

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 School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 9, 2023



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND
NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and
Members of the Board of Education
Manalapan-Englishtown Regional School District
County of Monmouth
Englishtown, New Jersey 07728

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Manalapan-Englishtown Regional School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey OMB Circular 15-08 that could have a direct and material effect on each of Manalapan-Englishtown Regional School District's major federal and state programs for the year ended June 30, 2023. Manalapan-Englishtown Regional School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Manalapan-Englishtown Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and 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 the New Jersey OMB Circular 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Manalapan-Englishtown Regional School 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 program. Our audit does not provide a legal determination of Manalapan-Englishtown Regional School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Manalapan-Englishtown Regional School 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 generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional 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 Manalapan-Englishtown Regional School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and New Jersey 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 Manalapan-Englishtown Regional School 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 Manalapan-Englishtown Regional School 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 OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Manalapan-Englishtown Regional School 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 and state program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or 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 and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a

combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and 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 and New Jersey OMB Circular 15-08, Accordingly, this report is not suitable for any other purpose

Respectfully submitted,

Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 9, 2023

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Federal FAIN Number	Grant Period	Award Amount	Balance at June 30, 2022	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior years' Balances	Deferred Revenue at June 30, 2023	(Accounts Receivable) at June 30, 2023	Due to Grantor at June 30, 2023
U.S. Department of Health and Human Services													
General Fund:													
Medical Assistance Program (SEMI)	93.778	2305NJ5MAP	7/1/22-6/30/23	\$ 57,157	\$ -	\$ -	\$ 57,157	\$ (57,157)	\$ -	\$ -	\$ -	\$ -	\$ -
FFCRA / SEMI	93.778	2305NJ5MAP	1/1/21-12/31/21	\$ 7,213	\$ -	\$ -	\$ 7,213	\$ (7,213)	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Fund					-	-	64,370	(64,370)	-	-	-	-	-
U.S. Department of Agriculture													
Passed-through State Department of Education:													
Enterprise Fund:													
Child Nutrition Cluster:													
Food Distribution Program	10.555	231NJ304N1099	7/1/22-6/30/23	150,605	-	-	150,605	(150,605)	-	-	-	-	-
Summer Food Service Program for Children	10.559	221NJ304N1099	7/1/21-6/30/22	2,265,111	(199,326)	-	199,326	-	-	-	-	-	-
Supply Chain Assistance Funding	10.555	231NJ304N1099	7/1/22-6/30/23	126,963	-	-	126,963	(126,963)	-	-	-	-	-
National School Lunch Program	10.555	231NJ304N1099	7/1/22-6/30/23	472,475	-	-	438,221	(472,475)	-	-	-	(34,254)	-
Subtotal Child Nutrition Cluster					(199,326)	-	915,115	(750,043)	-	-	-	(34,254)	-
Total Enterprise Fund					(199,326)	-	915,115	(750,043)	-	-	-	(34,254)	-
U.S. Department of Education													
Passed-through State Department of Education:													
Elementary and Secondary Education Cluster:													
Title I	84.010A	S010A220030	7/1/21-6/30/22	285,601	(32,995)	-	32,995	-	-	-	-	-	-
Title I	84.010A	S010A210030	7/1/22-6/30/23	188,618	-	-	183,611	(196,313)	-	-	-	(12,702)	-
Title II Part A	84.367A	S367A220029	7/1/21-6/30/22	67,894	(11,348)	-	11,348	-	-	-	-	-	-
Title II Part A	84.367A	S367A210029	7/1/22-6/30/23	67,038	-	-	51,525	(58,744)	-	-	-	(7,219)	-
Title III	84.365A	S367A220029	7/1/21-6/30/22	33,889	(11,958)	-	11,958	-	-	-	-	-	-
Title III	84.365A	S367A210029	7/1/22-6/30/23	23,950	-	-	24,067	(31,706)	-	-	-	(7,639)	-
Title IV	84.424A	S424A210031	7/1/21-6/30/22	27,170	-	-	-	-	-	-	-	-	-
Title IV	84.424A	S424A210031	7/1/22-6/30/23	16,427	-	-	10,467	(10,467)	-	-	-	-	-
Subtotal Elementary and Secondary Education Cluster					-	-	-	-	-	-	-	-	-
ESSER II	84.425D	S425D220027	3/13/2020-9/30/2023	-	-	-	-	-	-	-	-	-	-
ESSER II	84.425D	S425D220027	3/13/2020-9/30/2023	858,383	(255,440)	-	531,144	(273,773)	-	-	1,931	-	-
CARES	84.425D	S425D220027	3/13/2020-9/30/2023	220,844	(1,194)	-	1,194	-	-	-	-	-	-
Mental Health	84.425D	S425D220027	3/13/2020-9/30/2023	45,000	-	-	20,060	(45,000)	-	-	-	(24,940)	-
Learning Acceleration	84.425D	S425D220027	3/13/2020-9/30/2023	55,086	(7,800)	-	27,460	(19,660)	-	-	-	-	-
ARP - ESSER II	84.425U	S425U210027	3/13/2020-9/30/2024	1,929,160	(630,191)	-	949,947	(425,646)	-	-	-	(105,890)	-
ARP - Summer Program	84.425U	S425U210027	3/13/2020-9/30/2024	40,000	-	-	16,045	(16,045)	-	-	-	-	-
ARP - Accelerated Learning	84.425U	S425U210027	3/13/2020-9/30/2024	382,662	(4,250)	-	67,861	(136,389)	-	-	-	(72,778)	-
ARP - Mental Health	84.425U	S425U210027	3/13/2020-9/30/2024	45,000	(29,100)	-	22,699	(6,000)	-	-	-	(12,401)	-
ARP - Beyond the School Day	84.425U	S425U210027	3/13/2020-9/30/2024	40,000	(1,742)	-	11,592	(13,985)	-	-	-	(4,135)	-
ARP - Homeless	84.425W	S425W210031	7/1/21-6/30/22	8,349	(8,349)	-	8,349	-	-	-	-	-	-
Subtotal Elementary and Secondary Education Cluster					(938,066)	-	1,656,351	(936,498)	-	-	1,931	(220,144)	-
Special Education Cluster:													
I.D.E.A. Part B Basic Regular	84.027	H027A210100	7/1/21-6/30/22	1,288,675	(122,075)	-	122,075	-	-	-	-	-	-
I.D.E.A. Part B Basic Regular	84.027	H027A210100	7/1/22-6/30/23	1,177,531	-	-	1,131,770	(1,487,824)	-	-	-	(356,054)	-
I.D.E.A. Part B Preschool	84.173	H173A210114	7/1/21-6/30/22	60,701	(12,217)	-	12,217	-	-	-	-	-	-
I.D.E.A. Part B Preschool	84.173	H173A210114	7/1/22-6/30/23	59,633	-	-	383	(46,955)	-	-	-	(46,572)	-
ARP I.D.E.A Basic	84.027X	H027X210100	7/1/21-6/30/22	202,441	(26,638)	-	26,638	-	-	-	-	-	-
ARP I.D.E.A Basic	84.027X	H027X210100	7/1/22-6/30/23	202,441	-	-	97,729	(119,019)	-	-	-	(21,290)	-
ARP I.D.E.A Preschool	84.173X	H173X210114	7/1/22-6/30/23	17,275	-	-	14,353	(14,353)	-	-	-	-	-
Subtotal Special Education Cluster					(160,930)	-	1,405,165	(1,668,151)	-	-	-	(423,916)	-
Total Special Revenue Fund					(1,155,297)	-	3,387,487	(2,901,879)	-	-	1,931	(671,620)	-
Total Expenditures of Federal Awards					\$ (1,354,623)	\$ -	\$ 4,366,972	\$ (3,716,292)	\$ -	\$ -	\$ 1,931	\$ (705,874)	\$ -

See accompanying notes to schedules of expenditures.

MANALAPAN-ENGLISHTOWN REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Year Ended June 30, 2023

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Final Award Amount	Balance at June 30, 2022	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Years' Balances	Deferred Revenue at June 30, 2023	(Accounts Receivable) at June 30, 2023	Due to Grantor at June 30, 2023	Budgetary Receivable	Total Expenditures
State Department of Education													
General Fund:													
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	1,968,298	-	-	1,780,841	(1,968,298)	-	-	-	-	187,457	1,968,298
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	3,767,124	-	-	3,408,350	(3,767,124)	-	-	-	-	358,774	3,767,124
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	3,200,888	-	-	2,893,045	(3,200,888)	-	-	-	-	307,843	3,200,888
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	427,473	-	-	386,761	(427,473)	-	-	-	-	40,712	427,473
Stabilization Aid	23-495-034-5120-078	7/1/20-6/30/21	636,400	-	-	636,400	(636,400)	-	-	-	-	-	636,400
Supplemental Stabilization Aid	23-495-034-5120-078	7/1/22-6/30/23	797,983	-	-	797,983	(797,983)	-	-	-	-	-	797,983
Family Crisis Transportation Aid	23-495-034-5120-100	7/1/22-6/30/23	19,368	-	-	-	(19,368)	-	-	(19,368)	-	-	19,368
Extraordinary Aid	22-100-034-5120-473	7/1/21-6/30/22	1,018,652	(1,018,652)	-	1,018,652	-	-	-	-	-	-	-
Extraordinary Aid	23-100-034-5120-473	7/1/22-6/30/23	1,108,714	-	-	-	(1,108,714)	-	-	(1,108,714)	-	-	1,108,714
Non-Public Transportation aid	22-495-034-5120-014	7/1/21-6/30/22	70,679	(51,620)	-	51,620	-	-	-	-	-	-	-
Non-Public Transportation aid	23-495-034-5120-014	7/1/22-6/30/23	54,288	-	-	-	(54,288)	-	-	(54,288)	-	-	54,288
Reimbursed TPAF Social													
Security Contribution	23-495-034-5094-003	7/1/22-6/30/23	2,684,590	-	-	2,552,732	(2,684,590)	-	-	(131,858)	-	-	2,684,590
Reimbursed TPAF Social													
Security Contribution	22-495-034-5094-003	7/1/21-6/30/22	2,715,375	(132,700)	-	132,700	-	-	-	-	-	-	-
On-behalf TPAF Contribution	23-495-034-5094-002	7/1/22-6/30/23	13,440,441	-	-	13,440,441	(13,440,441)	-	-	-	-	-	13,440,441
On-behalf TPAF Post-Retirement Medical													
Contribution	23-495-034-5094-001	7/1/22-6/30/23	3,530,772	-	-	3,530,772	(3,530,772)	-	-	-	-	-	3,530,772
On-behalf TPAF LTDI	23-495-034-5094-004	7/1/22-6/30/23	4,396	-	-	4,396	(4,396)	-	-	-	-	-	4,396
Total General Fund			35,445,441	(1,202,972)	-	30,634,693	(31,640,735)	-	-	(1,314,228)	-	894,786	31,640,735
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Textbook	22-100-034-5120-064	7/1/21-6/30/22	480	480	-	-	-	(480)	-	-	-	-	-
Textbook	23-100-034-5120-064	7/1/22-6/30/23	2,574	-	-	2,574	-	-	-	-	2,574	-	-
Nursing	23-100-034-5120-070	7/1/22-6/30/23	4,368	-	-	5,324	(2,616)	-	-	-	2,708	-	-
Security	22-100-034-5120-509	7/1/21-6/30/22	6,125	6,125	-	-	-	(6,125)	-	-	-	-	-
Security	23-100-034-5120-509	7/1/22-6/30/23	4,715	-	-	4,715	-	-	-	-	4,715	-	-
Technology	23-100-034-5120-373	7/1/22-6/30/23	1,638	-	-	1,638	-	-	-	-	1,638	-	-
Technology	22-100-034-5120-373	7/1/21-6/30/22	1,470	1,470	-	-	-	(1,470)	-	-	-	-	-
Chapter 193 - Exam and Classification	23-100-034-5120-066	7/1/22-6/30/23	380	-	-	380	-	-	-	-	380	-	-
Chapter 193 - Exam and Classification	22-100-034-5120-066	7/1/21-6/30/22	1,326	1,326	-	-	-	(1,326)	-	-	-	-	-
Chapter 193 - Supplemental Instruction	23-100-034-5120-066	7/1/22-6/30/23	826	-	-	826	-	-	-	-	826	-	-
Chapter 193 - Supplemental Instruction	22-100-034-5120-066	7/1/21-6/30/22	826	826	-	-	-	(826)	-	-	-	-	-
Chapter 192- Comp Ed	23-100-034-5120-066	7/1/23-6/30/23	-	-	-	-	-	-	-	-	-	-	-
Chapter 192- Comp Ed	22-100-034-5120-066	7/1/21-6/30/22	1,792	1,792	-	-	-	(1,792)	-	-	-	-	-
SDA Emergency	23-100-034-5120-519	7/1/22-6/30/23	-	-	-	107,251	(107,107)	-	-	-	-	-	-
Climate Change	7/1/22-6/30/23		6,660	-	-	6,660	(6,660)	-	-	-	-	-	-
Total Special Revenue Fund			33,180	12,019	-	129,368	(116,383)	(12,019)	144	-	12,841	-	-
Debt Service Fund:													
Debt service aid	23-495-034-5120-075	7/1/22-6/30/23	345,943	-	-	345,943	(345,943)	-	-	-	-	-	-
			345,943	-	-	345,943	(345,943)	-	-	-	-	-	-
Enterprise Fund:													
State School Lunch Program	22-100-010-3350-023	7/1/21-6/30/22	53,157	(4,587)	-	4,587	-	-	-	-	-	-	-
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	26,937	-	-	24,981	(26,937)	-	-	(1,956)	-	-	-
			80,094	(4,587)	-	29,568	(26,937)	-	-	(1,956)	-	-	-
Total Expenditures of State Awards			\$ 35,904,658	\$ (1,195,540)	\$ -	\$ 31,139,572	\$ (32,129,998)	\$ (12,019)	\$ 144	\$ (1,316,184)	\$ 12,841	\$ 894,786	\$ 31,640,735
State Financial Assistance Not Subject to Single Audit Determination													
General Fund:													
On-behalf TPAF Contribution	23-495-034-5094-002	7/1/22-6/30/23	13,440,441	-	-	13,440,441	(13,440,441)	-	-	-	-	-	13,440,441
On-behalf TPAF Post-Retirement Medical	23-495-034-5094-001	7/1/22-6/30/23	3,530,772	-	-	3,530,772	(3,530,772)	-	-	-	-	-	3,530,772
On-behalf TPAF LTDI	23-495-034-5094-004	7/1/22-6/30/23	4,396	-	-	4,396	(4,396)	-	-	-	-	-	4,396
Total State Financial Assistance Not Subject to Single Audit Determination			-	-	-	16,975,609	(16,975,609)	-	-	-	-	-	16,975,609
Total for State Financial Assistance-Major Program Determination			-	-	-	16,975,609	(16,975,609)	-	-	-	-	-	16,975,609

See accompanying notes to schedules of expenditures.

(1) Not subject to Single Audit

Manalapan-Englishtown Regional School District

Notes to the Schedules of Awards and Financial Assistance

June 30, 2023

1. General

The accompanying schedules of expenditures of federal and state awards present the activity of all federal and state award programs of the Manalapan-Englishtown Regional School District (District). The District is defined in Note 1 to the District's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards are presented using the modified accrual basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting, and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of the Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in the preparation of, the basic financial statements.

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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

Manalapan-Englishtown Regional School District

Notes to the Schedules of Awards and Financial Assistance (Cont'd)

June 30, 2023

3. Relationship to Basic Financial Statements (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(13,181,935) for the General Fund and \$323,259 for the Special Revenue Fund. See the Note to Required Supplementary Information (C-3) for a reconciliation of the budgetary basis to the GAAP basis of accounting for the General Fund and Special Revenue Fund. Financial award revenues are reported in the District’s basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 64,370	\$ 18,458,800	\$ 18,523,170
Special Revenue Fund	2,901,879	116,383	3,018,262
Debt Service Fund	-	345,943	345,943
Food Service Fund	<u>801,129</u>	<u>26,937</u>	<u>828,066</u>
Total awards and financial assistance	<u>\$ 3,767,378</u>	<u>\$ 18,948,063</u>	<u>\$ 22,715,441</u>

4. 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.

5. Other

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions respectively. TPAF Social Security and Post Retirement/Medical Benefits Contributions represent the amounts reimbursed by the State for the employer’s share of social security contributions and Post Retirement/Medical Benefits for TPAF members for the year ended June 30, 2022.

The TPAF post retirement/medical benefits expenditures are not subject to New Jersey OMB Circular 15-08.

6. Indirect Costs

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

Manalapan-Englishtown Regional School District

Schedule of Findings and Questioned Costs

June 30, 2023

Section I - Summary of Auditor's Results
Financial Statement Section

Type of auditor's report issued: Unmodified opinion

Internal control over financial reporting:

- 1) Material weakness(es) identified? yes no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to general-purpose financial statements noted? yes no

Federal Awards Section

Internal Control over major programs:

- 1) Material weakness(es) identified? yes no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a) of the Uniform Guidance? yes no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
Elementary and Secondary Education Cluster:	
84.425D	Elementary and Secondary School Emergency Relief Fund
84.425U	American Rescue Plan - Elementary and Secondary School Emergency Relief
Special Education Cluster:	
84.027	IDEA
84.173	IDEA Preschool

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

Auditee qualified as low-risk auditee? yes no

Manalapan-Englishtown Regional School District
Schedule of Findings and Questioned Costs (Continued)

June 30, 2023

Section I - Summary of Auditor's Results (continued)

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

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

Internal Control over major programs:

- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiencies identified
 that are not considered to be material
 weaknesses? yes X none reported

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program
	State Aid - Public (Cluster)
495-034-5120-089	Special Education Categorical Aid
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5094-003	Reimbursed TPAF Social Security Contributions
495-034-5120-044	Extraordinary Special Education Aid

Section II - Financial Statement Findings - N/A

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs - N/A

Manalapan-Englishtown Regional School District

Summary Schedule of Prior Audit Findings

June 30, 2023

Summary Schedule of Prior Year Audit Findings - N/A