

**Annual Comprehensive
Financial Report**

of the

Borough of Manville Board of Education

County of Somerset

Manville, New Jersey

For the Fiscal Year Ended June 30, 2023

Prepared by

**Borough of Manville, Board of Education
Finance Department**

TABLE OF CONTENTS

	PAGE
INTRODUCTORY SECTION	
Letter of Transmittal	1-5
Roster of Officials	6
Consultants and Advisors	7
Organizational Chart	8
FINANCIAL SECTION	
Independent Auditor Report	9-12
REQUIRED SUPPLEMENTARY INFORMATION – PART I	13
Management’s Discussion and Analysis (Unaudited)	14-25
BASIC FINANCIAL STATEMENTS	26
A. District-Wide Financial Statements:	27
A-1 Statement of Net Position	28
A-2 Statement of Activities	29
B. Major Fund Financial Statements:	30
Governmental Funds:	
B-1 Balance Sheet	31-32
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	33
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	34
Other Funds	35
Proprietary Funds:	
B-4 Statement of Net Position	36
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	37
B-6 Statement of Cash Flows	38
Fiduciary Funds	N/A
Notes to the Financial Statements	39-81

TABLE OF CONTENTS (CONTINUED)

	PAGE
REQUIRED SUPPLEMENTARY INFORMATION – PART II	82
C. Budgetary Comparison Schedules:	83
C-1 General Fund	84-90
C-2 Special Revenue Fund	91
C-3 Budget to GAAP Reconciliation	92
REQUIRED SUPPLEMENTARY INFORMATION - Part III	93
L. Schedules Related to Accounting and Reporting for Pension (GASB 68)	94
L-1 Schedule of the District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System – Last Ten Years	95
L-2 Schedule of the District's Contributions – Public Employees Retirement System – Last Ten Years	96
L-3 Schedule of the District's Proportionate Share of the Net Pension Liability Teachers Pension and Annuity Fund – Last Ten Years	97
L-4 Schedules Related to Accounting and Reporting for Pension (GASB 68) Note to RSI III for the Fiscal Year Ended June 30, 2023	98
REQUIRED SUPPLEMENTARY INFORMATION - Part IV	99
M. Schedules Related to Accounting and Reporting for Pension (GASB 75)	100
M-1 Schedule of Changes in the District's Total OPEB Liability and Related Ratios – Last Ten Years	101
M-2 Note to RSI IV for the Fiscal Year Ended June 30, 2023	102
OTHER SUPPLEMENTARY INFORMATION	103
D. School Level Schedules	N/A
E. Special Revenue Fund:	104
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	105-107
E-2 Schedule of Preschool Education Aid - Budgetary Basis	108

TABLE OF CONTENTS (CONTINUED)

	PAGE
OTHER FUNDS	109
F. Capital Project Fund Detail Statement:	110
F-1 Summary Statement of Project Expenditures – Budgetary Basis	111
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	112
F-2A Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Pre K Classroom	113
F-2B Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – High School Track and Field	114
F-2C Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – High School Girls Locker Room	115
F-2D Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – High School Boys Locker Room	116
F-2E Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – High School Kitchen Wall Renovation	117
F-2F Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Manville High School HVAC	118
F-2G Schedule of Project Revenues, Expenditures, Project Balance, and Project Status–Budgetary Basis – Bond Referendum Weston School Various Projects	119
F-2H Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Bond Referendum ABIS Kitchen Floor	120
F-2I Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis–Bond Referendum High School Kitchen Floor	121
F-2J Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Bond Referendum Weston School Auditorium Conversion	122
F-2K Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Bond Referendum Weston School Boiler Project	123
F-2L Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Bond Referendum Weston School Roof Project	124
G. Proprietary Fund	N/A
H. Fiduciary Fund	N/A
I. Long Term Debt	125
I-1 Schedule of Short Term Notes	126
I-2 Schedule of Obligations Under Installment Purchase Agreements	127
I-3 Debt Service Fund Budgetary Comparison Schedule	128

TABLE OF CONTENTS (CONTINUED)

	PAGE	
STATISTICAL SECTION (UNAUDITED)		
J-1	Net Position by Component	129
J-2	Changes in Net Position	130-131
J-3	Fund Balances – Governmental Funds	132
J-4	Changes in Fund Balances – Governmental Funds	133
J-5	General Fund Other Local Revenue by Source	134
J-6	Assessed Value and Actual Value of Taxable Property	135
J-7	Direct and Overlapping Property Tax Rates	136
J-8	Principal Property Tax Payers – Current and Nine Years Ago	137
J-9	Property Tax Levies and Collections	138
J-10	Ratios of Outstanding Debt by Type	139
J-11	Ratios of Net Bonded Debt Outstanding	140
J-12	Direct and Overlapping Governmental Activities Debt	141
J-13	Legal Debt Margin Information	142
J-14	Demographic and Economic Statistics	143
J-15	Principal Employers - Current Year and Nine Years Ago	N/A
J-16	Full-Time Equivalent District Employees by Function/Program	144
J-17	Operating Statistics	145
J-18	School Building Information	146
J-19	Schedule of Required Maintenance	147
J-20	Insurance Schedule	148

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 Basic Financial Statements Performed in Accordance with Government Auditing Standards	149-150
K-2	Independent Auditor's Report on Compliance with Requirements Applicable to Major Federal and State Financial Assistance Programs and Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB Circular 15-08	151-153
K-3	Schedule of Expenditures of Federal Awards, Schedule A	154
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	155
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	156-157
K-6	Schedule of Findings and Questioned Costs	158-160
K-7	Schedule of Prior Year Audit Findings	161

INTRODUCTORY SECTION



MANVILLE PUBLIC SCHOOLS

1100 Brooks Boulevard
Manville, New Jersey 08835

Jamil Maroun
Superintendent of Schools
Phone (908) 231-8545
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Paul Roth
Interim Business Administrator /Board Secretary
Phone (908) 231-5804
Fax (908) 704-0510

December 4, 2023

Honorable President and
Members of the Board of Education
Manville School District
Somerset County, New Jersey

Dear Board Members and Constituents:

The annual comprehensive financial report of the Manville School District for the fiscal year ended **June 30, 2023**, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2023 and the government-wide financial statements of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to complement Management's Discussion and Analysis and should be read in conjunction with it), the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Amendment of 1996 and the provisions of the Uniform Guidance and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Manville School District is an independent reporting entity within the criteria adopted by the GASB. All funds and the government-wide statements of the District are included in this report. The Manville Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational, as well as special education students. The District completed the **2022-2023** fiscal year with an enrollment of approximately 1591 students. The following details the changes in the student enrollment of the District over the last 5 years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2018-2019	1,506	.011%
2019-2020	1,607	.063%
2020-2021	1,607	.063%
2021-2022	1,608	.062%
2022-2023	1,591	-1.05%

2. **ECONOMIC CONDITIONS AND OUTLOOK:** 2022-23 school year state aid was increased by 4.1 million. The district was able to maintain programs and expand programs as planned. The district continues to manage capital reserves in order to continue with facility projects.

Uncertainties of the Chapter 44 healthcare legislation continue to apply pressure on the district's operating budget as employees transition to the NJEHP resulting in lower employee health care contributions.

Current financial circumstances allow the district to navigate without the need to reduce staff or programs. The district continues to plan for future enrollment growth.

3. **MAJOR INITIATIVES:** The Manville School District has planned the following projects for the future school years:

- 1) Continue to implement improvements which will improve the safety and security for all students and employees;
- 2) Continue to upgrade the technological infrastructure for instruction, security and management;
- 3) Continue to implement new instructional programs which will raise the performance of all students in the Manville Public Schools;
- 4) Allow for continuous school improvement as evidenced by assessment data;
- 5) Continue to maintain and complete repairs/replacements of all facilities.
- 6) Continue to seek options for expansion of facilities due to increased student enrollment within the district.

4. **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining internal control 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 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 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 adequate internal control 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.

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

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

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

7. **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. You should review in detail the management's discussion and analysis for the fiscal year ended **June 30, 2023**, for Financial Summaries.

8. **DEBT ADMINISTRATION:** January 25, 2022, a referendum in the amount of 3.95 million was approved. The closing of a one-year note was on July 6, 2022 at a 2.98% interest rate. Funding for the full payment of the bond was included and approved during the March 2023 budget process and the bond was paid July 5, 2023.

9. **CASH MANAGEMENT:** The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statement" Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from 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.

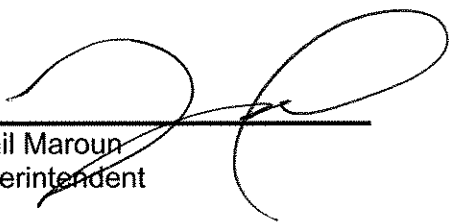
10. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive collision, hazard and the insurance on property and contents, and fidelity bonds.

11. **OTHER INFORMATION:**


Independent Audit – State statutes require an annual audit by independent certified public accountants or certified municipal accountants. The accounting firm of Suplee, Clooney and Company, CPAs was selected by the Board of Education at the annual Reorganization Meeting. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the Uniform Guidance and State Treasury Circular Letter 15-08 OMB. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

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

Respectfully submitted:



Jamil Maroun
Superintendent



Paul Roth
Acting Business Administrator /
Board Secretary

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

<u>Members of the Board of Education</u>	<u>Term Expires</u>
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Jeanne Lombardino – President	2023
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Kelly Harabin – Vice President	2023
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Debra Babich	2024
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Justina Breen	2025
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Rikki Erickson	2024
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Kimberly Flemming	2023
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Timothy Kenyon	2023
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Sharon Lukac	2025
--------------	------

Sairilin Parra	2023
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Other Officials

Dr. Jamil Maroun, Superintendent of Schools

Kelli Eppley, Assistant Superintendent of Schools

Paul Roth, Interim Business Administrator

**BOROUGH OF MANVILLE SCHOOL DISTRICT
CONSULTANTS AND ADVISORS
JUNE 30, 2023**

Audit Firm

Suplee, Clooney & Company

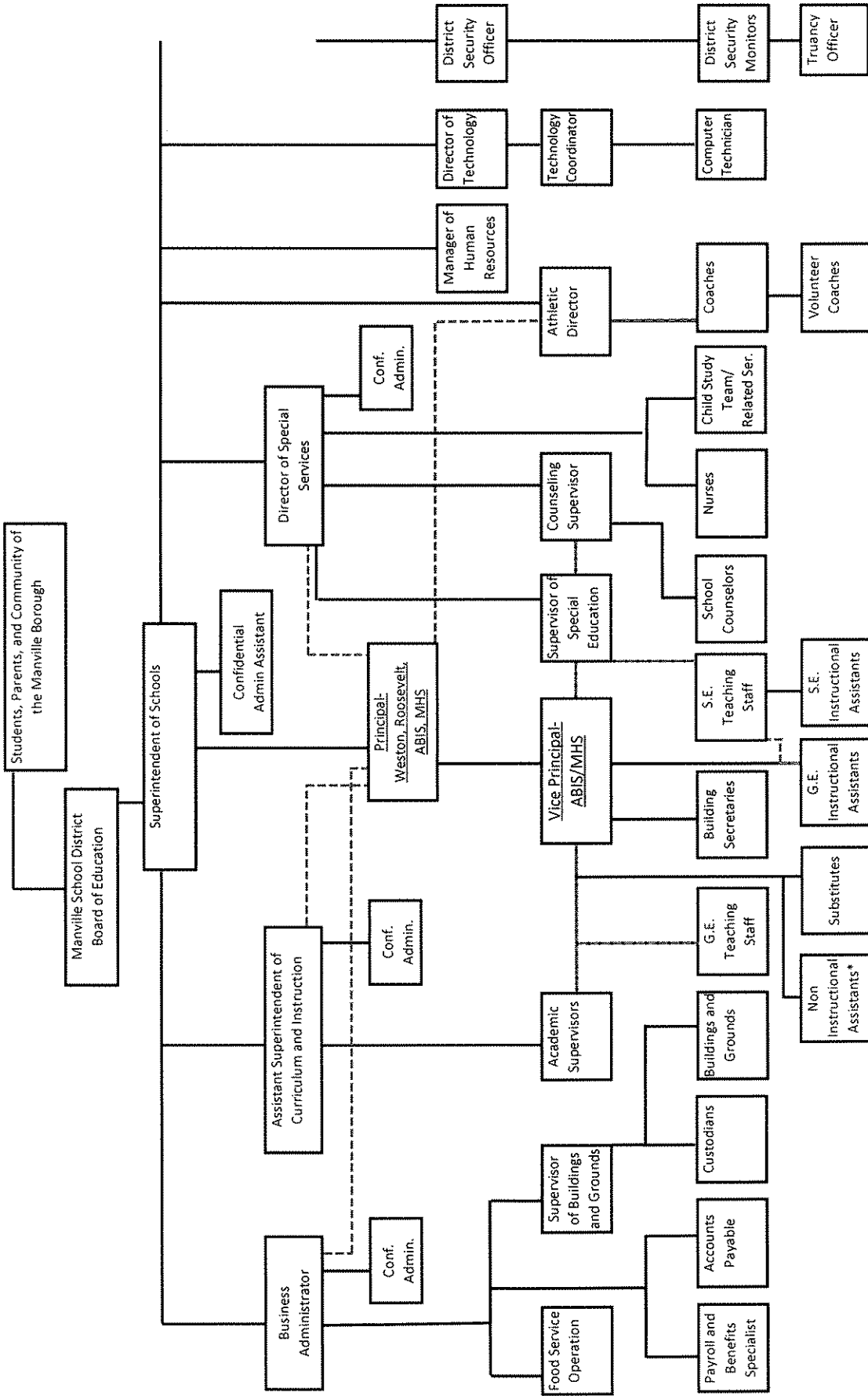
Attorney

David Rubin

Official Depository

TD Bank, NA

MANVILLE PUBLIC SCHOOLS 2022-2023



*Responsibility to Director of Security

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FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR REPORT

Honorable President and Members
of the Board of Education
Borough of Manville School District
County of Somerset
Manville, New Jersey 08835

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Borough of Manville School District, in the County of Somerset, State of New Jersey (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District 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, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, 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 (the "Uniform Guidance") the audit requirements of State of New Jersey OMB Circular 15-08 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." 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 and provisions are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

SUPLEE, CLOONEY & COMPANY

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, for the year ended June 30, 2023, the District adopted Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, the Uniform Guidance, the State of New Jersey OMB Circular 15-08 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 the Uniform Guidance, the State of New Jersey OMB Circular 15-08 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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

SUPLEE, CLOONEY & COMPANY

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information in Exhibit C-1 through C-3, the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 and the schedules related to accounting and reporting for postretirement benefits other than pensions (OPEB) in Exhibits M-1 and M-2 are presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information schedules and data such as the combining statements and individual fund financial statements, and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, 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 fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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.

SUPLEE, CLOONEY & COMPANY

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 December 4, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 4, 2023

REQUIRED SUPPLEMENTARY INFORMATION – PART I

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

This section of The Borough of Manville School District's ("The District") annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments. Certain comparative information between the current fiscal year and the prior fiscal year is presented in the MD&A. In fiscal year 2023 the District implemented GASB Statement No. 96- SBITAS.

Financial Highlights

- At the government-wide financial statements, revenue from governmental activities accounted for \$40,731,978.84 or 97.46 percent of total school district revenue. The other 2.54 percent of revenue was generated by the business type activities.

Fund Level Schedules

- The fund balance in the General Fund increased by \$4,002,107.09 in 2022-2023.
- The Board of Education increased its capital reserve balance by \$2,000,000.00 to a total of \$6,083,090.45 at year end for future projects.
- The Board of Education established a maintenance reserve in the amount of \$500,000.00 for much needed maintenance projects.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This document also contains required and supplementary information and other information in addition to the basic financial statements themselves.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

Government-Wide Financial Statements

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

The statement of net position presents information on all of the assets, deferred inflows and outflows and liabilities of the District, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Fund Financial Statements

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

The District maintains two funds types:

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

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

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund, special revenue fund and debt service fund. Budgetary comparison statements have been provided as required supplementary information for the general fund, special revenue fund and debt service fund to demonstrate compliance with this budget.

Proprietary funds. The District maintains one proprietary fund type. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for the operations of its food service program.

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

Other information. The combining statements referred to earlier in connection with governmental funds and enterprise funds are presented immediately following the notes to the basic financial statements.

Financial Highlights
Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities net of deferred outflows and inflows by \$17,502,273.41 at the close of fiscal year 2023. The following table provides a summary of net position at June 30, 2023 and 2022 relating to the District's governmental and business-type activities:

Key financial Highlights for the 2022-2023 fiscal year include the following:

- The State withheld both of the June fiscal year state aid payments until July 2023.
- The State aid awarded in 2022-2023 increased by \$3,624,451.00 from 2021-2022.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

Financial Analysis of the District as a Whole

The District's statement of net position shown in Table 1 below reflects the District's net position as a whole. Table 2 reflects the changes in net position from operating results.

**Table 1
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	Percentage Change
Current and Other Assets	\$12,115,806.10	\$6,493,767.74	\$634,432.12	\$696,521.86	\$12,750,238.22	\$7,190,289.60	77.33%
Capital Assets	16,041,495.94	14,306,927.84	131,207.41	13,425.60	16,172,703.35	14,320,353.44	12.94%
Total Assets	28,157,302.04	20,800,695.58	765,639.53	709,947.46	28,922,941.57	21,510,643.04	34.46%
Deferred Outflows Related to pensions	1,133,480.00	765,841.00			1,133,480.00	765,841.00	48.00%
Long-Term Liabilities	4,621,531.99	4,145,962.96			4,621,531.99	4,145,962.96	11.47%
Short-Term Liabilities	6,430,878.64	2,343,757.58	6,298.74	67,553.62	6,437,177.38	2,411,311.20	166.96%
Total Liabilities	11,052,410.63	6,489,720.54	6,298.74	67,553.62	11,058,709.37	6,557,274.16	68.65%
Deferred Inflows Related to pensions	736,098.00	2,180,343.00			736,098.00	2,180,343.00	-66.24%
Net Position:							
Net Investment In Capital Assets							
Assets	12,091,495.94	14,227,962.74	131,207.41	13,425.60	12,222,703.35	14,241,388.34	-14.17%
Restricted	9,995,932.54	6,443,124.35			9,995,932.54	6,443,124.35	55.14%
Unrestricted (Deficit)	(4,585,155.07)	(7,774,614.05)	628,133.38	628,968.24	(3,957,021.69)	(7,145,645.81)	-44.62%
Total Net Position	\$17,502,273.41	\$12,896,473.04	\$759,340.79	\$642,393.84	\$18,261,614.20	\$13,538,866.88	34.88%

Total assets and liabilities increased in fiscal year 2023. Net investment in capital assets decreased due a bond anticipation note payable to fund multiple capital projects in 2022-2023.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

The largest portion of the District's net position is its net investment in capital assets. Restricted net position includes those items that are subject to external restrictions (e.g. for capital projects, for debt service, for student activities and scholarships in the special revenue fund, and for unemployment insurance, capital reserve and excess fund balance in the general fund).

Restricted net position increased due to the replenishing of the capital reserve fund and the establishment of a maintenance reserve.

**Table 2
Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total School District	
	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2022</u>
Revenue:						
Program Revenue:						
Charges for Services	\$222,735.87	\$188,128.30	\$266,858.51	\$92,672.97	\$489,594.38	\$280,801.27
Operating Grants and Contributions	7,539,968.80	8,370,537.05	780,933.48	1,114,182.07	8,320,902.28	9,484,719.12
General Revenue:						
Property Taxes	15,656,016.00	15,656,016.00			15,656,016.00	15,656,016.00
Federal and State Aid not restricted	16,935,415.50	13,313,444.30			16,935,415.50	13,313,444.30
Other	377,842.67	25,629.10	14,333.37	652.45	392,176.04	26,281.55
Total Revenue	40,731,978.84	37,553,754.75	1,062,125.36	1,207,507.49	41,794,104.20	38,761,262.24
Expenses:						
Instruction	20,956,312.46	21,626,821.35			20,956,312.46	21,626,821.35
Student & Instructional Support Services	7,178,214.93	6,601,379.08			7,178,214.93	6,601,379.08
Administrative and Business	3,152,460.73	3,080,421.33			3,152,460.73	3,080,421.33
Maintenance & Operations	3,382,452.92	2,447,367.04			3,382,452.92	2,447,367.04
Transportation	1,151,623.34	1,603,869.37			1,151,623.34	1,603,869.37
Other	305,114.09	255,614.52	945,178.41	993,111.07	1,250,292.50	1,248,725.59
Total Expenses	36,126,178.47	35,615,472.69	945,178.41	993,111.07	37,071,356.88	36,608,583.76
Change in net position	\$4,605,800.37	\$1,938,282.06	\$116,946.95	\$214,396.42	\$4,722,747.32	\$2,152,678.48

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

Sources of Revenue

The District's total government-wide revenue for the 2022-2023 school year was \$41,794,104.20 as reflected in Table 3. Property taxes accounted for 37.46 percent of the total revenue with the other 62.54 percent consisting of federal and state aid, grants, charges for services, and miscellaneous sources.

**Table 3
Sources of Revenue**

<u>Sources of Revenue</u>	<u>FY 2023</u>		<u>FY 2022</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Property Taxes	\$15,656,016.00	37.46%	\$15,656,016.00	40.39%
Operating Grants & Contributions	8,320,902.28	19.91%	9,484,719.12	24.47%
Federal & State Aid not restricted	16,935,415.50	40.52%	13,313,444.30	34.35%
Charges for Services	489,594.38	1.17%	280,801.27	0.72%
Other	392,176.04	0.94%	25,629.10	0.07%
	<u>\$41,794,104.20</u>	<u>100.00%</u>	<u>\$38,760,609.79</u>	<u>100.00%</u>

The property taxes remained flat in 2022-2023.

The state aid increased for a third year, after years of being underfunded. This increase was \$3,624,451.00 in equalization aid in 2022-2023.

The change in operating grants and contributions fluctuates with the recognition of state on-half payments and the various grants received by the state. State programs increased as the District continues to participate in the preschool program.

Charges for services increased in 2022-2023 as students as there was an increase in lunch purchases after the state discontinued the 100% free lunch program.

The other revenues increased due to an increase in interest on investments and deposits.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

Expenses for the Fiscal Year 2023 and 2022

The total expenses for the 2022-2023 fiscal year for all programs and services were \$37,071,356.88. Table 4 below summarizes these costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 79.00 percent of the total District costs. Administrative and business expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, and the Principal's Offices in all four school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, depreciation expense and the costs of the business-type activities of the proprietary fund. Depreciation expense on capital assets is included in expenses for the year and that total is \$620,719.11.

**Table 4
Expenses for Fiscal Year 2023 and 2022**

<u>Expense Category</u>	<u>FY 2023</u>		<u>FY 2022</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$20,956,312.46	56.53%	\$21,626,821.35	59.08%
Student & Instruction Services	7,178,214.93	19.36%	6,601,379.08	18.03%
Administrative and Business	3,152,460.73	8.50%	3,080,421.33	8.41%
Maintenance & Operations	3,382,452.92	9.12%	2,447,367.04	6.69%
Transportation	1,151,623.34	3.11%	1,603,869.37	4.38%
Other	1,250,292.50	3.38%	1,248,725.59	3.41%
	<u>\$37,071,356.88</u>	<u>100.00%</u>	<u>\$36,608,583.76</u>	<u>100.00%</u>

Governmental Activities

Table 5 presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of six major District activities: instruction, student and instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

**Table 5
Net Cost of Governmental Activities**

<u>Expenditure Category</u>	<u>FY 2023</u>		<u>FY 2022</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$16,087,030.31	56.92%	\$16,109,480.91	60.01%
Student & Instruction Services	4,713,427.36	16.68%	4,056,858.34	15.11%
Administrative and Business	2,819,766.80	9.98%	2,679,558.16	9.98%
Maintenance & Operations	3,382,452.92	11.97%	2,447,367.04	9.12%
Transportation	1,055,682.34	3.74%	1,507,928.37	5.62%
Other	202,400.51	0.71%	41,870.55	0.16%
	<u>\$28,260,760.24</u>	<u>100.00%</u>	<u>\$26,843,063.37</u>	<u>100.00%</u>

Financial Analysis of the District's Funds

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

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

General Fund. The general fund is the main operating fund of the District. At the end of the current fiscal year, restricted fund balance was \$9,014,055.43. The net change in total fund balance for the General Fund was a decrease of \$4,002,107.09

Special Revenue Fund. The special revenue fund is used to track the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes, other than debt service or capital projects. Revenue and expenditures for the current fiscal year were comparable to the prior fiscal year, with an increase in federal grants as the District utilized ESSER II and ESSER III funds to help fight the pandemic. Also the District continued to participate in the preschool program.

Capital Projects Fund. The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to an expenditure for capital outlays, including the acquisition or construction of major capital facilities and other assets (other than those financed by the proprietary funds). The District had numerous capital projects in the past fiscal year funded through the budget and note proceeds which will be paid back in the subsequent fiscal year using debt service aid.

Debt Service Fund. The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds. The fund balance in the debt service fund remained at \$2,225.03.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the general fund. During the fiscal year there were differences between the original budget and the final amended budget as a result of transfers being applied to certain line items. These transfers were made between line items as part of the normal process as permitted by State guidelines. Readers should refer to Section C of the financial report for comparisons between actual and budgeted amounts.

Described below are explanations for variations in revenues and expenditures for certain lines where the modified budgeted amounts differ from the original budget by significant amounts. All other fluctuations were considered immaterial and no explanations were deemed required.

Expenditures

The overall final budget increased from the prior year by 8.88% with the largest increase being in required maintenance of school facilities. Overall spending increased by 5.80% throughout the budget.

Revenue

State aid increased \$4,162,673.00 after an increase of \$2,354,842.00 in the prior fiscal year after years of being underfunded.

Extraordinary aid was at \$256,109.00 as a result of the fact that the final award amount is calculated by the State of New Jersey. This was a decrease from the prior year which was at \$360,003.00.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

Capital Assets

During the fiscal year 2022-2023, there were numerous capital projects completed by the District prior to the start of the school year in governmental activities. There were no capital acquisitions in business-type activities. Table 6 reflects the comparative balances of capital assets net of depreciation as of June 30, 2023 and 2022, respectively. The detail of the changes in capital assets is reflected in Note 3 to the financial statements.

**Table 6
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	FY 2023	FY 2022	FY 2022	FY 2022	FY 2023	FY 2022	
Land and Site							
Improvements	\$7,794,605.66	\$5,890,875.01			\$7,794,605.66	\$5,890,875.01	-32.32%
Construction in							
Progress	2,309,734.72	2,699,805.43			2,309,734.72	2,699,805.43	-14.45%
Building and							
Improvements	4,986,988.75	5,318,122.25			4,986,988.75	5,318,122.25	-6.23%
Machinery and							
Equipment	950,166.81	398,125.15	\$131,207.41	\$13,425.60	1,081,374.22	411,550.75	162.76%
Total Assets	\$16,041,495.94	\$14,306,927.84	\$131,207.41	\$13,425.60	\$16,172,703.35	\$14,320,353.44	-12.94%

Debt Administration

At June 30, 2023 the District had \$8,571,531.99 of outstanding long-term liabilities, consisting of compensated absences, bond anticipation note payable and net pension liability. Table 7 reflects the comparison of outstanding long-term liabilities for the past two fiscal years. More information of the District's long-term liabilities is presented in Note 4 to the financial statements.

**Table 7
Outstanding Long-term Liabilities**

	Total School Debt		Total Percentage Change
	FY 2023	FY 2022	
Compensated Absences Payable	\$141,262.99	\$817,952.96	-82.73%
Installment Purchase Contracts		78,965.10	-100.00%
Notes Payable	3,950,000.00		100.00%
Net Pension Liability Payable	4,480,269.00	3,328,010.00	34.62%
	\$8,571,531.99	\$4,224,928.06	101.88%

**BOROUGH OF MANVILLE SCHOOL DISTRICT
MANVILLE, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
UNAUDITED**

The District's Future

The District is presently in a stable financial position. Increases in state aid enabled the district to continue to expand programs and to meet student programmatic needs. The district continues to provide the students and staff of Manville School District the resources they need for a thorough and efficient education.

The district continues to plan for future facility projects that are needed to maintain district facilities. The Manville Board of Education continues to be committed to maintaining fiscal responsibility as well as achieving educational excellence for all of the students of the District.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Paul Roth, Acting School Business Administrator/Board Secretary at the Manville Board of Education, 410 Brooks Blvd., Manville, New Jersey 08835. Please visit our website at www.manvilleschools.org.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2023.

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall district. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

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

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$4,948,500.36	\$572,463.57	\$5,520,963.93
Receivables, net	1,224,255.90	52,156.50	1,276,412.40
Inventory		9,812.05	9,812.05
Restricted assets:			
Restricted cash and cash equivalents	5,943,049.84		5,943,049.84
Capital assets:			
Non-depreciable	7,669,934.72		7,669,934.72
Depreciable	8,371,561.22	131,207.41	8,502,768.63
Total assets	<u>28,157,302.04</u>	<u>765,639.53</u>	<u>28,922,941.57</u>
DEFERRED OUTFLOWS:			
Related to pensions	1,133,480.00		1,133,480.00
Total Deferred Outflows	<u>1,133,480.00</u>		<u>1,133,480.00</u>
LIABILITIES:			
Accounts payable	680,535.88		680,535.88
Payroll deductions payable	832,190.64		832,190.64
Unemployment insurance payable	28,290.43		28,290.43
Payable to federal government	22,512.09		22,512.09
Unearned revenue	801,140.43	6,298.74	807,439.17
Accrued interest payable	116,209.17		116,209.17
Noncurrent liabilities:			
Due within one year	3,950,000.00		3,950,000.00
Due beyond one year:			
Net Pension Liability	4,480,269.00		4,480,269.00
Compensated absences payable	141,262.99		141,262.99
Total liabilities	<u>11,052,410.63</u>	<u>6,298.74</u>	<u>11,058,709.37</u>
DEFERRED INFLOWS:			
Related to pensions	736,098.00		736,098.00
Total Deferred Outflows	<u>736,098.00</u>		<u>736,098.00</u>
NET POSITION:			
Net investment in capital assets	12,091,495.94	131,207.41	12,222,703.35
Restricted for:			
Special revenue fund (Deficit)	(180,682.11)		(180,682.11)
Capital projects fund	6,788,818.12		6,788,818.12
Other purposes	3,387,796.53		3,387,796.53
Unrestricted (Deficit)	<u>(4,585,155.07)</u>	<u>628,133.38</u>	<u>(3,957,021.69)</u>
	<u>\$17,502,273.41</u>	<u>\$759,340.79</u>	<u>\$18,261,614.20</u>

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

BOROUGH OF MANVILLE SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2023

FUNCTIONS/PROGRAMS	EXPENSES	INDIRECT EXPENSES ALLOCATION	CHARGES FOR SERVICES	PROGRAM REVENUES OPERATING GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION	
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
Governmental Activities:						
Instruction:						
Regular	\$8,696,665.86	\$4,294,941.68		\$3,275,245.50	(\$9,706,362.04)	(\$9,706,362.04)
Special education	4,444,520.49	1,583,211.51		1,290,607.39	(4,737,124.61)	(4,737,124.61)
Other	1,372,143.78	574,829.14		303,429.26	(1,643,543.66)	(1,643,543.66)
Support services:			\$222,735.87	2,242,051.70	(4,713,427.36)	(4,713,427.36)
Student and instruction related services	5,455,887.40	1,722,327.53			(765,358.07)	(765,358.07)
General administrative services	746,785.60	18,572.47			(1,393,048.55)	(1,393,048.55)
School administrative services	1,102,159.81	623,582.68		332,693.94	(529,012.51)	(529,012.51)
Central services	519,023.58	9,988.93			(132,347.67)	(132,347.67)
Administration information technology	128,112.04	4,235.63			(3,382,452.92)	(3,382,452.92)
Plant operations and maintenance	3,312,646.90	69,806.02			(1,055,682.34)	(1,055,682.34)
Student transportation services	1,151,623.34		95,941.00			
Unallocated benefits	1,151,623.34					
Interest on long term debt	8,477,932.56	(9,477,932.56)				
Unallocated Depreciation	612,467.94					
Total governmental activities	36,126,178.47	(423,563.02)	222,735.87	7,539,958.80	(28,363,473.80)	(28,363,473.80)
Business-type activities:						
Food service	945,178.41		266,858.51	780,933.48		102,613.58
Total business-type activities	945,178.41		266,858.51	780,933.48		102,613.58
Total primary government	\$37,071,356.88		\$489,594.38	\$8,320,902.28	(\$28,363,473.80)	(\$28,260,860.22)
General Revenues:						
Taxes:						
Property taxes - general					15,656,016.00	15,656,016.00
Federal and state aid not restricted					16,935,415.50	16,935,415.50
Miscellaneous income					377,842.87	392,176.04
Total general revenues					32,969,274.17	32,983,607.54
Change in net position					4,605,800.37	4,722,747.32
Net Position - beginning					12,896,473.04	13,538,866.88
Net Position ending					\$17,502,273.41	\$18,261,614.20

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

MAJOR FUND FINANCIAL STATEMENTS

The Individual fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

BOROUGH OF MANVILLE SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS AND OTHER DEBITS:					
Assets:					
Cash and cash equivalents	3,549,943.55		\$1,396,331.78	\$2,225.03	\$4,948,500.36
Restricted cash and cash equivalents:					
Capital reserve account	5,443,049.84				5,443,049.84
Maintenance reserve account	500,000.00				500,000.00
Accounts receivable:					
Federal		919,154.19			919,154.19
State	305,101.71				305,101.71
Interfund	112,325.13				112,325.13
Total assets	9,910,420.23	919,154.19	1,396,331.78	2,225.03	12,228,131.23
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	35,883.73	163,858.65	50,563.50		250,305.88
Intergovernmental payable- federal		22,512.09			22,512.09
Payroll deductions payable	832,190.64				832,190.64
Unemployment insurance payable	28,290.43				28,290.43
Interfunds payable		112,325.13			112,325.13
Unearned revenue		801,140.43			801,140.43
Total liabilities	896,364.80	1,099,836.30	50,563.50		2,046,764.60
Fund balances:					
Restricted for:					
Capital reserve account	5,443,049.84				5,443,049.84
Maintenance reserve account	500,000.00				500,000.00
Excess surplus designated for subsequent years expenditures	2,076,610.12				2,076,610.12
Capital projects fund			103,680.40		103,680.40
Debt service fund				2,225.03	2,225.03
FFCRA Semi- designated for subsequent years expenditures	12,534.03				12,534.03
Unemployment compensation	31,785.38				31,785.38
Scholarships		33,402.42			33,402.42
Student activities		152,159.47			152,159.47
Committed for year-end encumbrances			1,242,087.88		1,242,087.88
Assigned for:					
Year end encumbrances	183,209.06				183,209.06
Designated for subsequent years expenditures	766,867.00				766,867.00
Unassigned:					
Special revenue fund (deficit)		(366,244.00)			(366,244.00)
Total fund balances	9,014,055.43	(180,682.11)	1,345,768.28	2,225.03	10,181,366.63
Total liabilities and fund balances	\$9,910,420.23	\$919,154.19	\$1,396,331.78	\$2,225.03	

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

BOROUGH OF MANVILLE SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Total Fund Balances (Brought Forward)		\$10,181,366.63
<p>Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of Assets	\$48,203,966.28	
Accumulated Depreciation	<u>(32,162,470.34)</u>	
		16,041,495.94
<p>Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Net pension liability	(4,480,269.00)	
Bond anticipation note payable	(3,950,000.00)	
Compensated absences payable	<u>(141,262.99)</u>	
		(8,571,531.99)
<p>Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.</p>		
Pensions:		
Deferred Outflows		
Pension related		1,133,480.00
Deferred Inflows:		
Pension related		(736,098.00)
<p>Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Accounts Payable - Pension Related	(430,230.00)	
Accrued Interest Payable	<u>(116,209.17)</u>	
		<u>(546,439.17)</u>
Net Position of Governmental Activities		<u><u>\$17,502,273.41</u></u>

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

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

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local tax levy	\$15,656,016.00				\$15,656,016.00
Interest earned on capital reserve funds	8,484.59				8,484.59
Miscellaneous- restricted	14,162.29	\$237,736.82			251,899.11
Miscellaneous- unrestricted	354,702.37		\$493.42		355,195.79
Total revenues-local sources	16,033,365.25	237,736.82	493.42		16,271,595.49
State sources	23,364,274.02	1,048,873.41			24,413,147.43
Federal sources	60,743.50	1,703,191.42			1,763,934.92
Total revenues	39,458,382.77	2,989,801.65	493.42		42,448,677.84
EXPENDITURES:					
Current expense:					
Instruction:					
Regular	7,672,245.52	987,462.22			8,659,707.74
Special education	2,691,057.26	446,646.79			3,137,704.05
Other instruction	1,253,106.28				1,253,106.28
Support services:					
Tuition	1,452,812.06				1,452,812.06
Student and instruction related services	3,693,248.81	1,751,067.59			5,444,316.40
General administrative services	746,785.60				746,785.60
School administrative services	1,102,159.81				1,102,159.81
Central services	519,023.58				519,023.58
Administrative technology	128,112.04				128,112.04
Plant operations and maintenance	3,312,646.90				3,312,646.90
Student transportation services	1,151,623.34				1,151,623.34
Employee benefits	11,475,091.53				11,475,091.53
Capital outlay	246,893.70	181,442.25	2,009,236.19		2,437,572.14
Total expenditures	35,444,806.43	3,366,618.85	2,009,236.19		40,820,661.47
Excess (deficiency) of revenues over (under) expenditures	4,013,576.34	(376,817.20)	(2,008,742.77)		1,628,016.37
Other financing sources (uses):					
Note proceeds			3,950,000.00		3,950,000.00
Transfers in	208,054.75	149,524.00	70,000.00		427,578.75
Transfers out	(219,524.00)		(208,054.75)		(427,578.75)
Total financing sources (uses):	(11,469.25)	149,524.00	3,811,945.25		3,950,000.00
Net change in fund balances	4,002,107.09	(227,293.20)	1,803,202.48		5,578,016.37
Fund balances, July 1, 2022	5,011,948.34	46,611.09	(457,434.20)	2,225.03	4,603,350.26
Fund balances, June 30, 2023	\$9,014,055.43	(\$180,682.11)	\$1,345,768.28	\$2,225.03	\$10,181,366.63

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

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

Total net change in fund balances - governmental funds (from B-2)		\$5,578,016.37
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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 depreciation exceeded capital outlays in the period.</p>		
Depreciation expense	(\$612,467.94)	
Capital outlays	2,437,572.14	
Capital outlays not capitalized	(90,536.10)	1,734,568.10
<p>Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.</p>		
Proceeds from note sale		(3,950,000.00)
<p>Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.</p>		
Payment of installment purchase contracts payable		78,965.10
<p>In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.</p>		
		(116,209.17)
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
District pension contributions	374,375.00	
Add: Pension benefit	229,395.00	603,770.00
<p>In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		676,689.97
Change in net position of governmental activities		\$4,605,800.37

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

OTHER FUNDS

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

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND FOOD SERVICE FUND
ASSETS:	
Current assets:	
Cash and cash equivalents	\$572,463.57
Accounts receivable:	
State	1,361.46
Federal	33,954.47
Other	16,840.57
Inventory	9,812.05
Total current assets	634,432.12
Noncurrent assets:	
Furniture, machinery & equipment	252,499.98
Less accumulated depreciation	(121,292.57)
Total noncurrent assets	131,207.41
Total assets	765,639.53
LIABILITIES:	
Current liabilities:	
Unearned revenue	6,298.74
Total current liabilities	6,298.74
NET POSITION:	
Net investment in capital assets	131,207.41
Unrestricted	628,133.38
Total net position	\$759,340.79

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

BOROUGH OF MANVILLE 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 FUND
OPERATING REVENUES:	
Local sources:	
Daily sales-reimbursable programs	\$172,712.48
Daily sales non-reimbursable programs	94,146.03
Total operating revenue	266,858.51
OPERATING EXPENSES:	
Salaries	324,786.52
Employee benefits	90,880.73
Supplies	48,097.53
Management fee	45,401.74
Repairs and other	85,606.04
Depreciation	8,251.17
Cost of sales- reimbursable programs	317,154.68
Cost of sales- non-reimbursable programs	25,000.00
Total operating expenses	945,178.41
Operating (loss)	(678,319.90)
Nonoperating revenues:	
State sources:	
State school lunch program	21,867.72
State school breakfast program	2,534.44
Federal sources:	
National school lunch program	501,087.20
National school breakfast program	95,662.84
P-EBT administrative cost reimbursement	653.00
Supply chain assistance	83,475.52
Food distribution program	75,652.76
Interest revenue	14,333.37
Total nonoperating revenues	795,266.85
Change in net position	116,946.95
Total net position - beginning	642,393.84
Total net position - ending	\$759,340.79

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

EXHIBIT "B-6"

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

	BUSINESS-TYPE ACTIVITIES
	ENTERPRISE FUND
	FOOD SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$258,481.12
Payments to employees	(324,786.52)
Payments to employee benefits	(90,880.73)
Payment to suppliers	(579,438.58)
Net cash (used for) operating activities	(736,624.71)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State sources	24,432.06
Federal sources	797,753.68
Net cash provided by noncapital financing activities	822,185.74
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest on investments	14,333.37
Net cash provided by investing activities	14,333.37
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchases of capital assets	(126,032.98)
Net cash provided (used for) capital and related financing activities	(126,032.98)
Net decrease in cash and cash equivalents	(26,138.58)
Cash and cash equivalents- July 1	598,602.15
Cash and cash equivalents- June 30	572,463.57
Operating (loss)	(678,319.90)
Adjustments to reconcile operating (loss)	
to cash provided (used for) by operating activities:	
Depreciation	8,251.17
Change in assets and liabilities:	
Increase (Decrease) in unearned revenue	1,873.73
(Increase) Decrease in inventory	4,950.02
(Increase) Decrease in accounts receivable	(10,251.12)
Increase (Decrease) in accounts payable	(63,128.61)
Net cash (used for) operating activities	(\$736,624.71)

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

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Borough of Manville School District have been prepared in conformity with U.S. 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.

Reporting Entity

The Manville School District is a Type II District located in Somerset County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The District is governed by a 9 member board elected to three-year terms 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 primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary, middle and high schools located in the Borough of Manville. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The 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.

District-Wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish generally between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net position presents the financial condition of the governmental and business-type activity of the 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 requirement 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 District.

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

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Types

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 noninstructional equipment which are classified in the capital outlay subfund.

As required by the New Jersey State Department of Education, the District includes budgeted Capital outlay in this fund. 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 fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by board resolution.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources from State and Federal Governments (other than major capital projects or the enterprise funds) and local appropriations that are restricted or committed to expenditures for specified purposes, other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report all financial resources that are restricted, committed, or assigned to an expenditure for capital outlay, including 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 and state grants 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 accounts 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.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund

Enterprise Fund - The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Basis of Accounting – Measurement Focus

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

District-Wide and Proprietary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified 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. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute 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 monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility 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. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. 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 under leases and installment purchase contracts are reported as other financing sources.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the April 2013 school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. 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. All budget amendments and transfers must be approved by School Board resolution. The over-expenditures related to on-behalf payments in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. 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 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 records.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

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 assigned or committed fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

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

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The Interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

Inventories

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Donation Commodities, at stated value which approximates market.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

The District has an established 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 fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their acquisition value on the date of donation.

Capital assets are depreciated in the government-wide statements using the straight-line method over the following estimated useful lives:

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

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.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

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

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the District-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Fund Balance and Net Position

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unassigned net position represents the remains of the District's equity in the cumulative earnings of the proprietary fund.

Unearned Revenue

Unearned revenue in the special revenue and capital projects funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under generally accepted accounting principles.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the Government-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.

Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets 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 when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Fund Balances

Under GASB 54, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Unemployment Compensation, Scholarship, Student Activities and Excess Surplus as Restricted Fund Balance.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances (Continued)

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances as Assigned Fund Balance. The District also reports amounts Designated for Subsequent Year's Expenditures as Assigned Fund Balance.

Unassigned -is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

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.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues – Exchange and Non-Exchange Transactions (Continued)

Non-exchange transactions, in which the 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 property taxes is recognized in the period in which the revenue is earned. 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 District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the 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 both measurable and available at fiscal year end: property taxes available as an advance, interest, and tuition.

Proprietary Fund Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the School District enterprise funds are charges to customers for sales in the food service. Operating expenses for enterprise funds include the cost of sales and services, administrative expense and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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 and dental benefits, were allocated based on salaries of the 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.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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.

Accounting and Financial Reporting for Pensions

In the district-wide financial statements for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and 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.

In the governmental fund financial statements, the year end pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The governmental fund financial statements reflect both a revenue and expense for this pension contribution.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has one item that qualifies in this category, deferred amounts related to pensions and leases.

Leases

Lease receivables are measured at the present value of the lease payments expected to be received during the lease term. The District may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized in a systematic and rational manner over the lease term.

Lease liabilities represent obligations to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of the expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term. The lease term may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Payments for short-term leases with a term of 12 months or less are expensed as incurred and these leases are not included as lease liabilities or right-to-use assets on the statements of net position.

Right to Use Assets

Right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized in a systematic and rational manner over the life of the related lease.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recently Adopted Accounting Pronouncements

Beginning with the year ended June 30, 2023, the District has implemented GASB Statement 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. GASB Statement No. 96 defines a SBITA; establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding liability; provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITAs.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, deposits in the government money market account, and short-term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than \$25,000,000. Under (GUDPA), 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 the deposits to the governmental unit.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits (Continued)

The Borough of Manville School District had the following cash and cash equivalents at June 30, 2023.

	<u>Cash in Bank</u>	<u>Additions & Petty Cash</u>	<u>Reductions</u>	<u>Reconciled Balance</u>
Governmental Funds	\$12,252,138.27	\$9,960.39	\$1,370,548.46	\$10,891,550.20
Proprietary Fund	706,577.15	6,569.74	140,683.32	572,463.57
	<u>\$12,958,715.42</u>	<u>\$16,530.13</u>	<u>\$1,511,231.78</u>	<u>\$11,464,013.77</u>

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2023, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$250,000.00 was covered by Federal Depository Insurance and \$12,695,110.51 was covered by NJGUDPA. The New Jersey Asset and Rebate Management (NJARM) Fund is an investment pool and is not insured by either FDIC or GUDPA. The amount in NJARM is \$13,604.91.

Investments

The purchase of investments by the Board is strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts.
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C. 17:19-41); and;
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2023, the Board had \$13,604.91 on deposit with the NJARM. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 3: CHANGE IN CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets that are not depreciated:				
Land	\$5,360,200.00			\$5,360,200.00
Construction in progress	2,699,805.43	\$1,689,225.19	(\$2,079,295.90)	2,309,734.72
Total capital assets that are not depreciated	<u>8,060,005.43</u>	<u>1,689,225.19</u>	<u>(2,079,295.90)</u>	<u>7,669,934.72</u>
Capital assets being depreciated:				
Site improvements	1,090,537.17		2,034,809.90	3,125,347.07
Building and building improvements	34,486,530.34	60,881.00	9,000.00	34,556,411.34
Machinery and equipment	2,219,857.30	596,929.85	35,486.00	2,852,273.15
Total capital assets being depreciated	<u>37,796,924.81</u>	<u>657,810.85</u>	<u>2,079,295.90</u>	<u>40,534,031.56</u>
Total capital assets	45,856,930.24	2,347,036.04		48,203,966.28
Less: accumulated depreciation for:				
Site improvements	(559,862.16)	(131,079.25)		(690,941.41)
Building and building improvements	(29,168,408.09)	(401,014.50)		(29,569,422.59)
Machinery and equipment	(1,821,732.15)	(80,374.19)		(1,902,106.34)
	<u>(31,550,002.40)</u>	<u>(612,467.94)</u>		<u>(32,162,470.34)</u>
Total Capital Assets being depreciated, net	<u>6,246,922.41</u>	<u>45,342.91</u>	<u>2,079,295.90</u>	<u>8,371,561.22</u>
Governmental activities capital assets, net	<u>14,306,927.84</u>	<u>1,734,568.10</u>	<u>-</u>	<u>16,041,495.94</u>
Business type activities:				
Machinery and equipment	126,467.00	126,032.98		252,499.98
Less: accumulated depreciation	(113,041.40)	(8,251.17)		(121,292.57)
Business type activities capital assets, net	<u>\$13,425.60</u>	<u>\$117,781.81</u>	<u>-</u>	<u>\$131,207.41</u>

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 3: CHANGE IN CAPITAL ASSETS (CONTINUED)

Depreciation Expense was charged to governmental expenses as follows:

Instruction:	
Regular	(\$152,482.69)
Special	(55,063.19)
Other	(25,413.78)
Support Services:	
Student and instruction related services	(76,241.34)
General administration	(16,942.52)
School administration	(21,178.15)
Central services	(8,471.26)
Administration info technology	(4,235.63)
Plant operations and maintainance	(63,534.46)
Direct Expense of Various Functions	<u>(188,904.92)</u>
	<u><u>(\$612,467.94)</u></u>

NOTE 4: LONG-TERM LIABILITIES

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

The following is a summary of changes in governmental activities long-term liabilities that affect other long-term obligations for the year ended June 30, 2023.

	<u>Net Pension Liability</u>	<u>Notes Payable</u>	<u>Installment Purchases Payable</u>	<u>Compensated Absences Payable</u>	<u>Total</u>
Balance, July 1, 2022	\$3,328,010.00		\$78,965.10	\$817,952.96	\$4,224,928.06
Additions/Issued	1,152,259.00	\$3,950,000.00			1,152,259.00
Reductions			<u>78,965.10</u>	<u>676,689.97</u>	<u>755,655.07</u>
Balance, June 30, 2023	<u>\$4,480,269.00</u>	<u>\$3,950,000.00</u>	<u>\$-0-</u>	<u>\$141,262.99</u>	<u>\$4,621,531.99</u>
Amounts Due					
Within One Year		<u>\$3,950,000.00</u>			<u>\$3,950,000.00</u>

Compensated absences and installment purchases are liquidated by expenditures charged to the general fund.

Notes Payable

The annual requirements to amortize all debt outstanding as of June 30, 2023, with interest payments on issued debt, are as follows:

Fiscal Year <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	<u>\$3,950,000.00</u>	<u>\$117,383.03</u>	<u>\$4,067,383.03</u>
	<u>\$3,950,000.00</u>	<u>\$117,383.03</u>	<u>\$4,067,383.03</u>

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 5: PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 5: PENSION PLANS (CONTINUED)

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

Pension Plan Design Changes

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 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.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 5: PENSION PLANS (CONTINUED)

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (*i.e.* the State of New Jersey makes the employer contribution on behalf of public school districts).

PERS Contribution Requirements

Three-Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2023	\$374,375.00	100%	\$374,375.00
6/30/2022	328,999.00	100%	328,999.00
6/30/2021	299,559.00	100%	299,559.00

During the fiscal years ended June 30, 2023, 2022 and 2021, the State of New Jersey contributed \$4,284,814.00, \$4,246,409.00 and \$2,701,935.00 respectively to the TPAF pension system on behalf of the District.

Also, during the fiscal year ended June 30, 2023, 2022 and 2021, the State of New Jersey contributed \$2,492.00, \$2,352.00 and \$2,291.00 respectively to the TPAF long term disability insurance fund on behalf of the District.

Also, in accordance with N.J.S.A. 18A:66-66, during the years ended June 30, 2023, 2022 and 2021, the State of New Jersey reimbursed the District \$980,745.02, \$939,385.88 and \$858,080.02, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2023, the State reported a net pension liability of \$4,480,269.00 for the District's proportionate share of the total net pension liability. The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the District's proportion was 0.0296876085 percent, which was an increase of 0.0015948374 percent from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized a pension benefit of \$227,468.00 in the government-wide financial statements. This pension benefit was based on the pension plan's June 30, 2022 measurement date.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$32,337.00	\$28,516.00
Changes of assumptions	13,881.00	670,874.00
Net difference between projected and actual earnings on pension plan investments	185,434.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	471,598.00	36,708.00
District contributions subsequent to the measurement date	<u>430,230.00</u>	
	<u>\$1,133,480.00</u>	<u>\$736,098.00</u>

The \$430,230.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION – GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

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 <u>June 30</u>	<u>Amount</u>
2023	(\$297,335.00)
2024	(108,817.00)
2025	(8,507.00)
2026	295,291.00
2027	<u>86,520.00</u>
	<u>(\$32,848.00)</u>

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 rolled forward to June 30, 2022. These actuarial valuations used the following assumptions:

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases	
Through 2026	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.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION – GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

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.

Long-Term 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 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 rates of return for each major assets class included in PERS's target assets allocation as of June 30, 2022 asset are summarized in the following table:

<u>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Equity	27.00%	8.12%
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market 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. Treasury's	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

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

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

The following presents the District's proportionate share of the net pension liability of the participating employers as of June 30, 2022 respectively, calculated using the discount rate as disclosed above as well as what the District's proportionate share of 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:

	June 30, 2022		
	1% Decrease <u>6.00%</u>	At Current Discount Rate <u>7.00%</u>	1% Increase <u>8.00%</u>
District's proportionate share of the pension liability	\$5,755,833.00	\$4,480,269.00	\$3,394,712.00

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2023 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>52,480,190.00</u>
	<u><u>\$52,480,190.00</u></u>

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 June 30, 2021 which was rolled forward to June 30, 2022. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2022, the proportion of the TPAF net pension liability associated with the District was .1017168023% which was an increase of .0105025650 percent from its proportion measured as of June 30, 2020.

For the year ended June 30, 2023, the District recognized on-behalf pension expense and revenue of \$1,412,389.00 in the government-wide financial statements for contributions provided by the State. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions

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

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary Increases:	1.55%-5.65%
	Based on Years of Service
Investment Rate of Return	7.00%

Mortality Rate

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

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

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% 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>Assets Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
	27.00%	8.12%
U.S. Equity		
Non-U.S. Developed Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.19%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
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%

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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

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

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75

Plan Description and Benefits Provided

The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan, which 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 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.

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. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a nonemployer contributing entity. 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.

Employees Covered by Benefit Terms

The State Health Benefit Local Education Retired Employees Plan Membership covered by the benefit terms consisted of the following:

Active Plan Members	213,148
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	151,669
Inactive Plan Members or Beneficiaries	
Not Yet Receiving Benefits	<u>- 0 -</u>
Total Plan Members	<u>364,817</u>

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Total Non-Employer OPEB Liability

The portion of the total Non-Employer OPEB Liability that was associated with the District at June 30, 2023 was as follows:

Total OPEB Liability:	
District's Proportionate Share	\$-0-
State's Proportionate Share associated with the District	<u>42,817,887</u>
	<u><u>\$42,817,887</u></u>

The total Non-Employer 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 total Non-Employer OPEB liability was determined separately based on actual data of the District.

For the year ended June 30, 2023, the District recognized on-behalf post-employment expense and revenue of \$2,281,336.00 in the government-wide financial statements for contributions provided by the State. This expense and revenue was based on the plans June 30, 2022 measurement date.

At June 30, 2023, the District's proportion was .0845426995 percent, which was an increase of .0009767889 from its proportion measured as of June 30, 2022.

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS, TPAF/ABP and PFRS participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Consequently, the District did not recognize any portion of the collective Non-Employer OPEB liability on the Statement of Net Position.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs

The total Non-Employer OPEB liability that was associated with the District 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:

	<u>June 30, 2022</u>		
	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Inflation – 2.5%			
Salary Increases	2.75-4.25%*	2.75-6.55%*	3.25-16.25%*

*- Based on Years of Service

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.

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

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (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%.

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.

Changes in the Total Non-Employer OPEB Liability

Shown below are details regarding The Total OPEB non-employer Liability associated with the District for the measurement period from June 30, 2021 to June 30, 2022.

Balance at 6/30/21		\$50,145,940
Changes for the year:		
Service cost	\$2,808,005	
Interest	1,134,721	
Changes of Benefit Terms		
Differences between expected and actual experience	1,303,420	
Changes in assumptions or other inputs	(11,486,282)	
Membership Contributions	36,058	
Benefit payments - Net	<u>(1,123,975)</u>	
Net changes		<u>(7,328,053)</u>
Balance at 6/30/22		<u><u>\$42,817,887</u></u>

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the total Non-Employer OPEB 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:

	June 30, 2022		
	<u>1.00%</u> <u>Decrease (2.54%)</u>	<u>At Discount</u> <u>Rate (3.54%)</u>	<u>1.00%</u> <u>Increase (4.54%)</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$50,327,922	\$42,817,887	\$36,798,969

Sensitivity of the Total Non-Employer OPEB Liability to Changes in Healthcare Trends

The following presents the total Non-Employer OPEB liability associated with the District as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total Non-Employer OPEB liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1- percentage point higher than the current rate:

	June 30, 2022		
	<u>1.00%</u> <u>Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1.00%</u> <u>Increase</u>
State of New Jersey's Proportionate Share of the total Non-Employer OPEB Liability associated with the District	\$35,391,601	\$42,817,887	\$7,644,691

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability

At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's Non-Employer OPEB Liability associated with the District from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$7,644,691	\$13,072,796
Changes of assumptions	7,410,692	14,572,870
Changes in proportion	<u>3,240,240</u>	<u>297,591</u>
	<u>\$18,295,623</u>	<u>\$27,943,257</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total Non-Employer OPEB Liability associated with the District will be recognized in OPEB expense as follows:

<u>Measurement Period Ended June 30,</u>	<u>Amount</u>
2023	(\$1,539,538)
2024	(1,539,538)
2025	(1,539,538)
2026	(1,250,654)
2027	(463,140)
Total Thereafter	<u>(3,315,225)</u>
	<u>(\$9,647,634)</u>

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 7: ACCOUNTING AND FINANCIAL REPORTING FOR POST-RETIREMENT BENEFITS OTHER THAN PENSIONS - GASB 75 (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Non-Employer OPEB Liability (Continued)

In accordance with GASBS No. 75, the 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 in the financial statements.

State Health Benefit Local Education Retired Employee Plan Information

The New Jersey Division of Pension and Benefits issues publicly available reports on the OPEB plan. Those reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295 or on their website at <http://www.state.nj.us/treasury/pensions/financial-reports.shtml>.

NOTE 8: LITIGATION

The Board attorney's letter advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the Board's financial position.

NOTE 9: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2022-2023 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 10: RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

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. Charges are applied to the Unemployment Compensation Claims Payable first, and any remaining charges are applied to the Unemployment Compensation budget appropriation.

The following table is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the combined ending balance of the District's Unemployment Compensation Claims Payable and Unemployment Restricted Fund Balance for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest and Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	\$69,633.36	\$83,503.88	\$60,075.81
2021-2022	87,673.25	53,564.21	73,946.33
2020-2021	82,030.53	70,995.04	39,837.29

NOTE 11: INVENTORY

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

Food and Supplies	<u>\$9,812.05</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Act Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 12: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$112,325.13	
Special Revenue Fund		\$112,325.13
	\$112,325.13	\$112,325.13

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were made.

All interfunds are expected to be repaid within one year.

NOTE 13: TAX ABATEMENTS

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

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 14: FUND BALANCE APPROPRIATED

General Fund – Of the \$9,014,055.43 General Fund fund balance at June 30, 2023, \$183,209.06 is assigned for year-end encumbrances; \$766,867.00 is assigned designated for subsequent years expenditures and is anticipated in the 2023-2024 budget; \$6,083,090.45 has been restricted in the Capital Reserve Account but only \$5,443,049.84 is reflected as restricted Capital Reserve on the balance sheet since the unassigned fund balance would be negative; \$500,000.00 has been restricted in the Maintenance Reserve; \$12,534.03 is restricted for FFCRA semi designated for subsequent year's expenditures; \$31,785.38 is restricted for unemployment insurance claims; \$2,076,610.12 has been restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7 and will be appropriated and included as anticipated revenue in the 2024-2025 budget..

NOTE 15: MAINTENANCE RESERVE

A maintenance reserve was established through a board resolution by the Borough of Manville School District in the amount of \$500,000.00 in the 2022-2023 school year for the accumulation of funds for the required maintenance of a facility in accordance with N.J.S.A. 18A:7G-9 as amended by P.L. 2004, c. 73 (S1701). N.J.S.A. 18A:7G-31(c), 18A:7G-13 and N.J.A.C. 6A:23A-14.2 permits districts, by board resolution, to transfer undesignated general fund balance to the maintenance reserve account if approved in the district's original budget certified for taxes or if the district received voter approval by a separate proposal at budget time or by special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. N.J.S.A. 18A:7F-41(a), 18A:7F-41(b) and N.J.A.C. 6A:23A-14.3 permit a district board of education to transfer by board resolution (prior to June 30) any unanticipated revenue or unexpended line-item appropriation amounts to the maintenance reserve for withdrawal in subsequent school years.

The activity of the maintenance reserve for the year ending June 30, 2023 is as follows:

Increased by: Board Resolution	\$500,000.00
Balance, June 30, 2023	\$500,000.00

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 16: CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the year ending June 30, 2023 year is as follows:

Beginning balance, July 1, 2022		\$4,077,605.86
Add: Transfer per resolution	\$2,000,000.00	
Add: Interest earned	<u>5,484.59</u>	
		<u>2,005,484.59</u>
Ending balance, June 30, 2023		<u><u>\$6,083,090.45</u></u>

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 17: CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004,c.73 (S1701), the Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. Based on this calculation, the Manville School District has no excess fund balance resulting from the year ended June 30, 2023.

General Fund Expenditures	
Fiscal Year Ended June 30, 2023	\$35,444,806.43
Add:	
Transfer from Capital Outlay to Capital Projects Fund	70,000.00
Transfer from General Fund to SRF for PreK- Inclusion	149,524.00
	35,664,330.43
Less:	
On-Behalf TPAF Pension and Social Security Reimbursement	6,393,661.02
	29,270,669.41
Adjusted General Fund Expenditures	29,270,669.41
Excess Surplus Percentage	2%
2% of Adjusted 2022-23 General Fund Expenditures	585,413.39
Greater of Line Above or \$250,000.00	585,413.39
Add: Allowable Adjustments	256,109.00
Maximum Unreserved/Undesignated Fund Balance	841,522.39
Actual Unreserved/Undesignated Fund Balance	2,918,132.51
Excess Surplus	\$2,076,610.12

NOTE 18: DEFERRED COMPENSATION

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans 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. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2023.

Borough of Manville School District
Notes to the Financial Statements
June 30, 2023

NOTE 19: DEFICIT FUND BALANCES / NET POSITION

The District has a deficit unassigned fund balance of (\$366,244.00) in the Special Revenue Fund as of June 30, 2023 as reported in the fund statements (modified accrual basis). N.J.S.A 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, in the current budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year.

For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditures, asset, liability) should be in symmetry, i.e. if one government recognizes an asset, the other government recognizes a liability.

Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last state aid payment, the fund balance deficits in the General and Special Revenue Funds do not alone indicate that the District is facing financial difficulties. Pursuant to P.L. 2003, c.97, any negative unreserved, undesignated general fund balance that is reported as a direct result from the delay in the payment of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District's deficit in the GAAP funds' statements does not exceed the last state aid payment.

NOTE 20: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through December 4, 2023, which is the date the financial statements were available to be issued. Based upon this evaluation, the District has determined that no subsequent events needed to be disclosed.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES:					
Local sources:					
Local tax levy	\$15,656,016.00		\$15,656,016.00	\$15,656,016.00	
Unrestricted miscellaneous revenues	100,000.00		100,000.00	354,702.37	\$254,702.37
Interest Earned on Capital Reserve Funds	3,000.00		3,000.00	8,484.59	5,484.59
Restricted Miscellaneous Revenues				14,162.29	14,162.29
Total local sources	15,759,016.00		15,759,016.00	16,033,365.25	274,349.25
State sources:					
Categorical special education aid	95,941.00		95,941.00	95,941.00	
Extraordinary Aid				256,109.00	256,109.00
Categorical special education aid	1,352,887.00		1,352,887.00	1,352,887.00	
Equalization aid	14,957,424.00		14,957,424.00	14,957,424.00	
Categorical security aid	468,818.00		468,818.00	468,818.00	
Reimbursed TPAF social security contribution (non-budgeted)				980,745.02	980,745.02
On-behalf post retirement medical (non budgeted)				1,125,610.00	1,125,610.00
On-behalf TPAF pension contributions (non-budgeted)				4,226,181.00	4,226,181.00
On-behalf TPAF non contributory insurance (non-budgeted)				58,633.00	58,633.00
On-behalf long term disability insurance (non-budgeted)				2,482.00	2,482.00
Total state sources	16,875,070.00		16,875,070.00	23,524,840.02	6,649,770.02
Federal Sources:					
Medicaid Reimbursement (SEMI)	41,567.00		41,567.00	33,336.44	(8,230.56)
Medicaid Reimbursement (MAC)				20,961.26	20,961.26
Medicaid Reimbursement-FFCRA				6,445.80	6,445.80
Total Federal Sources	41,567.00		41,567.00	60,743.50	19,176.50
Total revenues	\$32,675,653.00		\$32,675,653.00	\$39,618,948.77	\$6,943,295.77
EXPENDITURES:					
CURRENT EXPENSE:					
Instruction - Regular Programs:					
Kindergarten	345,725.00	\$118,498.00	464,223.00	464,223.00	
Grades 1-5	2,307,946.00	(143,261.16)	2,164,684.84	2,142,812.85	21,871.99
Grades 6-8	2,031,371.00	(11,766.53)	2,019,604.47	1,996,246.01	23,358.46
Grades 9-12	2,730,093.00	(86,021.50)	2,644,071.50	2,572,494.90	71,576.60
Regular programs - home instruction:					
Salaries of teachers	10,000.00		10,000.00	5,215.00	4,785.00
Total regular programs- instruction	7,425,135.00	(122,551.19)	7,302,583.81	7,180,991.76	121,592.05

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Regular programs - undistributed instruction:					
Other salaries for instruction	\$134,990.00		\$134,990.00	\$113,846.20	\$21,143.80
Other purchased services (400 - 500 series)	136,710.00	\$32,863.90	169,573.90	112,165.40	57,408.50
General supplies	257,450.00	(30,108.54)	227,341.46	210,744.70	16,596.76
Textbooks	82,500.00	(13,775.00)	68,725.00	54,497.46	14,227.54
Total regular programs- undistributed instruction	611,650.00	(11,019.64)	600,630.36	491,253.76	109,376.60
Total Regular Programs	8,036,785.00	(\$133,570.83)	7,903,214.17	7,672,245.52	230,968.65
Instruction - Special Education: Learning and/or Language Disabilities:					
Salaries of Teachers	219,915.00	3,800.00	223,715.00	223,645.00	70.00
Other salaries for instruction	167,794.00	(59,251.88)	108,542.12	106,295.10	2,247.02
Total Learning and/or Language Disabilities	387,709.00	(55,451.88)	332,257.12	329,940.10	2,317.02
Behavioral Disabilities:					
Salaries of Teachers	76,270.00	3,800.00	80,070.00	80,070.00	
Other Salaries for Instruction	58,749.00	14,068.23	72,817.23	72,817.23	
Total Behavioral Disabilities	135,019.00	17,868.23	152,887.23	152,887.23	
Multiple Disabilities:					
Salaries of Teachers	272,880.00	(56,420.00)	216,460.00	216,369.98	90.02
Other Salaries for Instruction	193,864.00	73,663.50	267,527.50	267,320.75	206.75
Total Multiple Disabilities	466,744.00	17,243.50	483,987.50	483,690.73	296.77
Resource Room / Resource Center:					
Salaries of Teachers	1,586,730.00	26,194.83	1,582,924.83	1,553,435.63	29,489.20
Other salaries for instruction	63,697.00	8,100.00	71,797.00	63,489.21	8,307.79
Total Resource Room / Resource Center	1,650,427.00	34,294.83	1,654,721.83	1,616,924.84	37,796.99

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Preschool Disabilities - Full - Time:					
Salaries of Teachers	\$83,350.00		\$83,350.00	\$83,350.00	\$2,215.64
Other Salaries for instruction	45,080.00	(\$19,600.00)	25,480.00	24,264.36	2,215.64
Total Preschool Disabilities - Full - Time	129,430.00	(19,600.00)	109,830.00	107,614.36	
Total Special Education	2,739,329.00	(5,645.32)	2,733,683.68	2,691,057.26	\$42,626.42
Bilingual Education Instruction:					
Salaries of Teachers	399,478.00	32,883.28	432,361.28	432,361.28	
General Supplies	10,000.00	(6,000.00)	4,000.00	3,970.10	29.90
Total Bilingual Education Instruction	409,478.00	26,883.28	436,361.28	436,331.38	29.90
School Sponsored Co-Curricular Activities:					
Salaries	134,641.00	112,757.93	247,398.93	247,363.68	35.25
Purchased Services (300-500 series)	11,000.00	(291.00)	10,709.00	9,508.22	1,200.78
Supplies and Materials	43,570.50	(13,235.00)	30,335.50	29,076.26	1,259.24
Other Objects	8,000.00	(1,755.00)	6,245.00	4,581.37	1,663.63
Total School Sponsored Co-Curricular Activities	197,211.50	97,476.93	294,688.43	290,529.53	4,158.90
School Sponsored Athletics:					
Salaries	368,008.00	(80,216.80)	287,791.20	287,791.20	
Purchased services (300-500 Series)	122,325.00	3,814.99	126,139.99	124,082.72	2,047.27
Supplies and materials	86,161.00	(23,803.27)	62,357.73	63,846.23	508.50
Other objects	61,014.01	(9,887.82)	51,126.19	50,513.22	612.97
Total school sponsored athletics	638,508.01	(110,092.90)	528,415.11	526,245.37	3,169.74
Before/After School Programs Instruction:					
Purchased Professional & Technical Services	1,300.00		1,300.00		1,300.00
Total Before/After School Programs Instruction	1,300.00		1,300.00		1,300.00
Total other instructional programs	1,246,197.51	15,567.31	1,261,764.82	1,255,106.28	6,658.54
Total - instruction	12,022,311.51	(123,648.84)	11,898,662.67	11,616,409.06	282,253.61
Undistributed expenditures:					
Instruction:					
Tuition to Other LEA's within the State - Regular	40,000.00		40,000.00	1,331.12	38,668.88
Tuition to Other LEA's within the State - Special	827,495.00	(319,857.49)	507,637.51	398,627.29	109,010.22
Tuition to County Vocational School District - Regular	50,000.00	25,000.00	75,000.00	69,037.50	5,962.50
Tuition to Private Schools for the Handicapped w/in State	1,235,955.17	(65,000.00)	1,170,955.17	908,188.15	262,766.02
Tuition - Other	50,000.00		50,000.00	50,000.00	
Total Undistributed Expenditures - Instruction	2,203,450.17	(359,857.49)	1,843,592.68	1,427,185.06	416,407.62
Health services:					
Salaries	346,195.00	(5,806.05)	340,388.95	310,184.11	30,204.84
Purchased professional and technical services	105,000.00	(15,075.75)	89,924.25	89,924.25	
Other purchased services	500.00	(0.80)	499.20	499.20	
Supplies and materials	8,000.00	32,579.37	40,579.37	37,699.37	2,880.00
Other objects	34,292.50	808.80	35,071.30	35,071.30	
Total health services	483,957.50	12,505.57	506,463.07	472,879.03	33,584.04

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Other support services - speech, ot, pt. & related services:					
Salaries	\$278,710.00	(\$3,800.00)	\$274,910.00	\$256,955.25	\$17,954.75
Purchased professional - educational services	12,000.00	88,175.00	100,175.00	84,077.56	16,097.44
Total other support services - speech, ot, pt. & related services	290,710.00	84,375.00	375,085.00	341,032.81	34,052.19
Guidance:					
Salaries of other professional staff	599,306.00	\$3,566.87	602,872.87	602,231.87	641.00
Salaries of secretarial and clerical assistants	61,290.00		61,290.00	56,989.26	4,300.74
Purchased Professional - Educational Services	36,250.00	(22,124.00)	14,126.00	11,377.50	2,748.50
Other purchased professional and technical services	23,200.00	(1,520.00)	21,680.00	21,680.00	
Other purchased services	500.00		500.00	60.16	439.84
Supplies and materials	1,000.00		1,000.00	977.25	22.75
Other Objects	3,500.00	(1,200.00)	2,300.00	463.90	1,836.10
Total guidance	725,046.00	(21,277.13)	703,768.87	693,779.94	9,988.93
Child Study Teams:					
Salaries of other professional staff	639,320.00	(6,424.68)	632,895.32	813,916.50	18,978.82
Salaries of secretarial and clerical assistants	65,712.00	10,968.81	76,680.81	76,680.81	
Purchased professional educational services	2,000.00	(1,450.65)	549.35	35.00	514.35
Other purchased professional and technical services	2,000.00	52,486.63	54,486.63	28,188.10	26,298.53
Other purchased services (400-500 series)	2,500.00	(2,240.35)	259.65	259.65	
Total child study teams	911,532.00	53,339.76	964,871.76	919,080.06	45,791.70
Improvement of instruction services:					
Salaries of supervisors of instruction	388,224.00	(53,823.67)	334,400.33	246,517.71	87,882.62
Salaries of secretarial and clerical assistants	69,376.00	7,454.67	76,830.67	76,824.27	6.40
Other objects	12,000.00	217.00	12,217.00	12,216.96	0.04
Total improvement of instruction services	469,600.00	(46,152.00)	423,448.00	335,558.94	87,889.06
Educational media services / school library:					
Salaries	482,729.00	(2,000.00)	480,729.00	458,445.16	22,283.84
Purchased professional and technical services	182,456.36	22,124.00	204,580.36	203,722.36	858.00
Supplies and materials	23,726.06	(11,017.00)	12,709.06	10,616.63	2,092.43
Other objects	183,425.40	93,133.00	276,558.40	197,290.08	79,268.32
Total educational media services / school library	872,336.82	102,240.00	974,576.82	870,074.23	104,502.59
Instructional staff training services:					
Other Purchased Professional - Educational Svcs.	30,060.00	27,337.64	57,397.64	57,397.64	
Other purchased services (400- 500 series)	5,900.00	(460.00)	5,440.00	3,446.16	1,993.84
Total instructional staff training services	35,960.00	\$26,877.64	62,837.64	60,843.80	1,993.84

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Support services general administration:					
Salaries	\$406,717.00	\$12,500.00	\$419,217.00	\$417,351.94	\$1,865.06
Legal services	30,000.00	4,000.00	34,000.00	13,464.00	20,536.00
Expenditure and internal control audit fees	34,782.00	218.00	35,000.00	35,000.00	
Architectural/engineering services	35,000.00	13,976.00	48,976.00	41,291.45	7,684.55
Other purchased professional services	58,560.00	1,440.00	60,000.00	35,702.00	\$24,298.00
Other purchased technical services	118,000.00	2,774.00	120,774.00	115,761.30	5,012.70
Communications / telephone	49,500.00	(5,200.00)	44,300.00	34,410.26	9,889.74
Board travel expense	9,000.00	(2,805.00)	6,195.00	4,567.12	1,627.88
Miscellaneous expenditures	22,593.50	547.50	23,141.00	18,884.73	4,256.27
General supplies	26,205.00	(17,589.70)	8,615.30	7,426.60	1,188.70
Miscellaneous expenditures	14,248.02	10,517.19	24,765.21	11,834.45	12,930.76
BOE membership dues and fees	10,000.00	1,091.75	11,091.75	11,091.75	
Total support services general administration	814,605.52	21,469.74	836,075.26	746,785.60	89,289.66
Support services school administration:					
Salaries of principals / assistant principals	690,123.00	4,633.43	694,756.43	694,755.79	0.64
Salaries of secretarial and clerical assistants	277,157.00	4,866.08	282,023.08	366,073.89	15,949.19
Purchased Professional and Technical Services	25,000.00	(9,540.00)	15,460.00	7,917.90	7,542.10
Other purchased services (400-500 series)	1,000.00		1,000.00	642.10	357.90
Supplies and materials	31,000.00		31,000.00	22,282.11	8,717.89
Other objects	11,746.70	40.49	11,787.19	10,488.02	1,299.17
Total support services school administration	1,136,026.70	0.00	1,136,026.70	1,102,159.81	33,866.89
Central services:					
Salaries	427,412.00	(10,951.94)	416,460.06	388,602.42	27,857.64
Purchased professional services	26,800.00	33,197.00	59,997.00	59,338.24	658.76
Other purchased professional services	38,500.00	2,473.20	40,973.20	40,973.20	
Misc. Purch Services (400-500)	5,000.00	(4,750.00)	250.00		250.00
Supplies and materials	8,000.00	220.00	8,220.00	7,471.97	748.03
Miscellaneous expenditures	12,500.00	10,313.00	22,813.00	22,637.75	175.25
Total central services	518,212.00	30,501.26	548,713.26	519,023.58	29,689.68
Administrative information technology:					
Purchased Professional Services	88,200.00	(289.00)	87,911.00	78,804.66	9,106.34
Purchased Technical Services	11,260.00		11,260.00	11,260.00	
Other purchased services	1,000.00	(1,000.00)			
Supplies and materials	40,000.00	(982.00)	39,018.00	38,047.38	970.62
Total administrative information technology	140,460.00	(2,271.00)	138,189.00	128,112.04	10,076.96
Required maintenance for school facilities:					
Salaries	409,185.00	406.43	409,591.43	407,990.90	1,600.53
Cleaning, repair and maintenance services	683,486.44	179,791.06	863,277.50	793,489.43	69,788.07
General supplies	72,000.00	(32,152.22)	39,847.78	38,477.78	1,370.00
Other objects	6,750.00		6,750.00	6,750.00	
Total required maintenance for school facilities	1,171,421.44	148,045.27	1,319,466.71	1,246,708.11	72,758.60

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Custodial services:					
Salaries	\$667,465.00	(\$25,846.78)	\$641,618.22	\$811,738.81	\$239,879.41
Salaries of Non-Instructional Aides	247,826.00	(37,341.28)	210,484.72	208,065.73	2,418.99
Other purchased property services	35,000.00		35,000.00	26,806.87	8,193.33
Insurance	430,000.00	(40,800.00)	389,200.00	383,719.78	5,480.21
General Supplies	67,075.00	(13,102.68)	53,972.32	46,034.85	7,937.47
Energy (heat and electricity)	325,000.00	56,055.00	381,055.00	366,734.08	14,320.92
Other Objects	2,000.00		2,000.00	1,670.89	329.11
Total custodial services	1,974,366.00	(61,035.74)	1,913,330.26	1,844,770.82	68,559.44
Security:					
Salaries	73,083.00	105,998.82	179,081.82	178,054.93	1,036.99
Purchased professional and technical services	44,124.00	(1,010.96)	43,113.04	43,113.04	
General supplies	2,000.00	(2,000.00)			
Total security	119,217.00	102,987.96	222,204.96	221,167.97	1,036.99
Total operations and maintenance of plant	3,265,004.44	189,987.48	3,455,001.93	3,312,646.90	142,355.03
Student Transportation Services:					
Contracted services (other than between home & school)- vendors	126,000.00	27,352.25	153,352.25	151,233.05	2,119.20
Contracted Svcs - (Spec. Ed. Stud) - ESCs & CTSAs	1,528,892.00	(37,452.25)	1,491,439.75	1,000,390.29	491,049.46
Total student transportation services	1,654,892.00	(10,100.00)	1,644,792.00	1,151,623.34	493,168.66
Unallocated benefits - employee benefits:					
Social security contributions	367,500.00	35,800.00	403,300.00	402,849.86	450.14
Other retirement contributions - PERS	434,135.02	242.00	434,377.02	420,408.99	13,968.03
Unemployment compensation	20,000.00	(4,846.29)	15,153.71	15,153.71	
Workmen's compensation	170,000.00	(21,375.04)	148,624.96	148,624.96	
Health benefits	4,107,870.00	16,116.51	4,123,986.51	3,968,230.23	165,756.28
Tuition reimbursements	100,000.00	(26,971.00)	73,029.00	65,128.94	7,900.06
Unused sick payment	70,000.00	1,033.82	71,033.82	71,033.82	
Total unallocated benefits - employee benefits	5,269,505.02	(0.00)	5,269,505.02	5,081,430.51	188,074.51
On-behalf TPAF contributions (non-budgeted):					
Reimbursed TPAF social security contributions (non-budgeted)				980,745.02	(980,745.02)
On-behalf post retirement medical (non budgeted)				1,125,610.00	(1,125,610.00)
On-behalf TPAF contributions (non-budgeted)				4,226,181.00	(4,226,181.00)
On-behalf TPAF non contributory insurance (non-budgeted)				58,633.00	(58,633.00)
On-behalf TPAF long term disability insurance (non-budgeted)				2,492.00	(2,492.00)
Total on-behalf TPAF contributions (non-budgeted)				6,393,661.02	(6,393,661.02)
Total undistributed expenditures	18,801,298.17	81,646.84	18,882,947.01	23,555,876.67	(4,672,929.66)
TOTAL EXPENDITURES - CURRENT EXPENSE	\$30,823,609.66	(\$42,000.00)	\$30,781,609.66	\$35,172,285.73	(\$4,390,676.05)

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
CAPITAL OUTLAY:					
Equipment:					
Undist. Expend. - Care and Upkeep of Grounds	\$115,321.60		\$115,321.60	\$115,321.60	
Total equipment	115,321.60		115,321.60	115,321.60	
Facilities acquisition and construction services:					
Construction services		\$42,000.00	42,000.00	41,036.00	\$964.00
Installation purchase agreement - principal	84,963.00		84,963.00	78,965.10	5,997.90
Assessment for debt service on SDA funding	11,571.00		11,571.00	11,571.00	
Total facilities acquisition and construction services	96,534.00	42,000.00	138,534.00	131,572.10	6,961.90
Interest Deposit to Capital Reserve	3,000.00		3,000.00		3,000.00
TOTAL CAPITAL OUTLAY	214,855.60	42,000.00	256,855.60	246,893.70	9,961.90
Transfer of funds to charter schools	45,000.00		45,000.00	25,627.00	19,373.00
TOTAL EXPENDITURES	\$31,083,465.28		\$31,083,465.28	\$35,444,806.43	(\$4,361,341.15)
Excess (deficiency) of revenues over (under) expenditures	1,592,187.72		1,592,187.72	4,174,142.34	2,581,954.62
Other financing sources (uses)					
Transfers from Other Funds				208,054.75	208,054.75
Local Contrib. - Trans to Special Rev. Inclusion	(149,524.00)		(149,524.00)	(149,524.00)	
Capital reserve transfer to capital projects fund	(2,252,600.00)		(2,252,600.00)	(70,000.00)	2,182,600.00
Capital outlay transfer to capital projects fund					
Total other financing sources	(2,402,124.00)		(2,402,124.00)	(11,469.25)	2,390,654.75
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	(809,936.28)		(809,936.28)	4,162,673.09	4,972,609.37
Fund balances, July 1	6,332,945.34		6,332,945.34	6,332,945.34	
Fund balances, June 30	\$5,523,009.06		\$5,523,009.06	\$10,495,618.43	\$4,972,609.37
Recapitulation:					
Assigned - year-end encumbrances				\$183,209.06	
Restricted - excess surplus - current year				2,076,610.12	
Restricted - capital reserve				6,083,090.45	
Restricted - maintenance reserve				500,000.00	
Restricted - unemployment				31,785.38	
Unassigned fund balance				841,522.39	
Assigned - designated for subsequent years expenditures				766,867.00	
Assigned fund balance ARRA/SEMI_unreserved desig. sub. year				12,534.03	
				\$10,495,618.43	
Reconciliation to governmental funds statements (GAAP):					
Prior Year aid payment not recognized on GAAP basis				(1,481,563.00)	
Fund balance per governmental funds (GAAP)				\$9,014,055.43	

BOROUGH OF MANVILLE SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR FISCAL YEARS ENDED JUNE 30, 2023

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
State sources	\$1,636,575.00	\$7,328.48	\$1,643,903.48	\$1,277,495.04	(\$366,404.44)
Federal sources	3,299,438.00	376,089.06	3,675,527.06	3,011,852.85	(663,674.21)
Other sources	149,524.00	279,682.77	429,206.77	237,736.82	(191,469.95)
Total revenues	5,085,537.00	663,100.31	5,748,637.31	4,527,086.71	(1,221,548.60)
EXPENDITURES:					
Instruction:					
Salaries of teachers	688,632.00	(134,130.27)	534,501.73	493,436.37	41,065.36
Other salaries for instruction	142,836.00	239,658.10	382,494.10	305,182.10	77,312.00
Purchased professional services	25,000.00		55,026.00	22,706.45	32,319.55
Tuition	338,559.00	78,333.00	416,892.00	366,732.62	50,159.38
General supplies	264,345.00	129,343.46	393,688.46	260,666.22	133,020.24
Total instruction	1,479,372.00	273,204.29	1,782,602.29	1,448,725.76	333,876.53
Support services:					
Salaries of program director	64,302.00	(64,302.00)		329,104.73	40.01
Salaries of other professional staff	227,615.00	101,529.74	329,144.74		6,744.07
Salaries of secretarial and clerical assistants	56,790.00	(50,045.93)	6,744.07		1,792.00
Salaries of Community Parent Involvement	33,588.00		33,588.00	31,796.00	1,792.00
Salaries - other	278,139.00	(75,569.18)	202,569.82	150,794.38	51,775.44
Personal services - employee benefits	290,403.00	269,985.00	560,368.00	137,815.00	422,553.00
Purchased professional services	963,739.00	(870.80)	962,868.20	802,842.90	160,025.30
Purchased property services	30,000.00	(29,331.52)	668.48		
Other purchased services	72,983.00	(26,980.75)	46,002.25	43,823.32	2,178.93
Supplies and materials	31,474.00	57,672.00	89,146.00	19,303.34	69,842.66
Miscellaneous expenditures	24,000.00	230,400.00	254,400.00	227,634.00	26,766.00
Total support services	2,073,033.00	412,466.56	2,485,499.56	1,743,782.15	741,717.41
Capital outlay- equipment:					
Instructional equipment	1,533,132.00	20.51	1,480,514.95	1,479,000.00	20.51
Non-Instructional equipment		(52,617.05)			1,514.95
Total capital outlay- equipment	1,533,132.00	(52,596.54)	1,480,535.46	1,479,000.00	1,535.46
Total expenditures	\$5,085,537.00	\$633,074.31	\$5,748,637.31	\$4,671,507.91	\$1,077,129.40
Other financing sources (uses)					
Transfer from general fund				149,524.00	
Excess (deficiency) of revenues (sources) over (under) expenditures (uses)				5,104.80	
Fund Balance, July 1				180,457.09	
Fund Balance, June 30				\$185,561.89	
Recapitalization:					
Scholarships				\$33,402.42	
Student Activities				152,159.47	
Total Fund Balance				\$185,561.89	

BOROUGH OF MANVILLE SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/inflows of resources		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$39,618,948.77	\$4,527,088.71
Difference - budget to GAAP Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and related revenue is recognized.		(1,304,889.06)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,320,997.00	133,846.00
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,481,563.00)</u>	<u>(366,244.00)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>39,458,382.77</u>	<u>2,989,801.65</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules	35,444,806.43	\$4,671,507.91
Difference - budget to GAAP Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial purposes		<u>(1,304,889.06)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$35,444,806.43</u>	<u>\$3,366,618.85</u>

REQUIRED SUPPLEMENTARY INFORMATION - PART III

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

<u>Measurement Date Ending June 30,</u>	<u>District's Proportion of the Net Pension Liability (Asset)</u>	<u>District's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>District's Covered-Employee Payroll</u>	<u>District's Proportion of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2013	0.0285357437%	\$5,453,748.00	\$2,022,018.00	269.72%	48.72%
2014	0.0281146355%	5,263,829.00	1,899,636.00	277.10%	52.08%
2015	0.0277634256%	6,232,333.00	1,893,091.00	329.21%	47.92%
2016	0.0273957579%	8,113,838.00	1,896,924.00	427.74%	40.14%
2017	0.0243116206%	6,376,555.00	1,881,086.00	338.98%	48.10%
2018	0.0259380700%	5,107,077.00	1,785,240.00	286.07%	53.60%
2019	0.0259904993%	4,683,094.00	1,983,350.00	236.12%	56.27%
2020	0.0273832551%	4,465,493.00	2,037,801.00	219.13%	58.32%
2021	0.0280927711%	3,328,010.00	2,109,922.00	157.73%	70.33%
2022	0.0296876085%	4,480,269.00	2,272,890.00	197.12%	62.91%

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Fiscal Year Ending <u>June 30,</u>	Contractually Required <u>Contribution</u>	Contributions in Relation to the Contractually Required <u>Contributions</u>	Contribution Deficiency (<u>Excess</u>)	District's Covered- Employee <u>Payroll</u>	Contributions as a Percentage of Covered- Employee <u>Payroll</u>
2014	\$231,773.00	\$231,773.00	-0-	\$1,899,636.00	12.20%
2015	238,691.00	238,691.00	-0-	1,893,091.00	12.61%
2016	243,380.00	243,380.00	-0-	1,896,924.00	12.83%
2017	253,763.00	253,763.00	-0-	1,881,086.00	13.49%
2018	258,000.00	258,000.00	-0-	1,785,240.00	14.45%
2019	252,812.00	252,812.00	-0-	1,983,350.00	12.75%
2020	299,559.00	299,559.00	-0-	2,037,801.00	14.70%
2021	328,999.00	328,999.00	-0-	2,109,952.00	15.59%
2022	374,375.00	374,375.00	-0-	2,272,890.00	16.47%
2023	430,230.00	430,230.00	-0-	2,484,322.00	17.32%

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS PENSION AND ANNUITY FUND
LAST TEN YEARS

Measurement Date Ending June 30,	District's Proportion of the Net Pension Liability (Asset)	State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	District's Covered-Employee Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of it's Covered-Employee Payroll	State's Proportionate Share of the Total Net Pension Liability associated with the District as a percentage of the District's Covered-Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2013	0.0798124559%	\$40,336,587.00	\$8,039,275.00	-0-	501.74%	33.76%
2014	0.0809190624%	43,248,605.00	8,335,361.00	-0-	518.86%	33.64%
2015	0.0848042843%	53,599,929.00	8,083,866.00	-0-	663.05%	28.71%
2016	0.0854854702%	67,248,314.00	8,498,351.00	-0-	791.31%	22.33%
2017	0.0798275498%	53,822,613.00	8,889,997.00	-0-	605.43%	25.41%
2018	0.0841442483%	53,530,763.00	9,203,111.00	-0-	581.66%	26.49%
2019	0.0840572651%	51,586,737.00	9,991,330.00	-0-	516.32%	26.95%
2020	0.0877131560%	57,758,058.00	10,947,267.00	-0-	527.60%	24.60%
2021	0.0912412373%	43,851,417.00	11,697,836.00	-0-	374.87%	35.52%
2022	0.1017168023%	52,480,190.00	12,876,506.00	-0-	407.57%	32.29%

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)
NOTE TO RSI III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/14-06/30/18
2020	7.00%	7.00%	07/01/14-06/30/18
2019	6.28%	7.00%	07/01/14-06/30/18
2018	5.66%	7.00%	07/01/11-06/30/14
2017	5.00%	7.00%	07/01/11-06/30/14
2016	3.98%	7.65%	07/01/11-06/30/14
2015	4.90%	7.90%	07/01/08-06/30/11
2014	5.39%	7.90%	07/01/08-06/30/11
2013	5.55%	7.90%	07/01/08-06/30/11

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net pension liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>	Long-Term Expected Rate of <u>Return</u>	Actuarial Experience <u>Study Period</u>
2022	7.00%	7.00%	07/01/18-06/30/21
2021	7.00%	7.00%	07/01/15-06/30/18
2020	5.40%	7.00%	07/01/15-06/30/18
2019	5.60%	7.00%	07/01/15-06/30/18
2018	4.86%	7.00%	07/01/12-06/30/15
2017	4.25%	7.00%	07/01/12-06/30/15
2016	3.22%	7.65%	07/01/12-06/30/15
2015	4.13%	7.90%	07/01/09-06/30/12
2014	4.68%	7.90%	07/01/09-06/30/12
2013	4.95%	7.90%	07/01/09-06/30/12

REQUIRED SUPPLEMENTARY INFORMATION - PART IV

SCHEDULE RELATED TO ACCOUNTING AND REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (GASB 75)

**BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE DISTRICT'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS**

	Measurement Date Year Ended June 30,					
	2022	2021	2020	2019	2018	2017
Balance at 6/30	\$50,145,940	\$55,988,249	\$33,786,494	\$35,344,971	\$41,677,272	\$44,854,454
Changes for the year:						
Service cost	2,808,005	3,062,489	1,545,511	1,455,608	1,650,008	1,993,933
Interest	1,134,721	1,300,839	1,220,222	1,404,893	1,534,927	1,322,023
Changes of benefit terms		(53,374)				
Differences between expected and actual experience	1,303,420	(9,210,296)	10,154,059	(3,916,336)	(4,548,777)	
Changes in assumptions or other inputs	(11,486,282)	49,473	10,227,129	503,759	(4,056,012)	(5,563,350)
Membership Contributions	36,058	33,256	29,543	30,744	32,665	35,546
Benefit payments - Net	(1,123,975)	(1,024,686)	(974,709)	(1,037,145)	(945,112)	(965,334)
Net changes	(7,328,053)	(5,842,309)	22,201,755	(1,556,477)	(6,332,301)	(3,177,182)
Balance at 6/30	\$42,817,887	\$50,145,940	\$55,988,249	\$33,786,494	\$35,344,971	\$41,677,272
Covered Employee Payroll	15,149,396	13,807,758	12,985,068	11,974,680	10,988,351	10,771,237
District's Proportionate Share of the Total Non-Employer OPEB Liability as a percentage of the District's Covered Employee Payroll	-0-	-0-	-0-	-0-	-0-	-0-
State's Proportionate Share of the Total Non-Employer OPEB Liability associated with the District as a percentage of the District's Covered Employee Payroll	282.64%	363.17%	431.17%	282.15%	321.66%	386.93%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF MANVILLE SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION PART IV
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Change in benefit terms:

None

Change in assumptions:

The following assumptions were used in calculating the net OPEB liability in their respective accounting periods:

Measurement Date Ending <u>June 30,</u>	Discount <u>Rate</u>
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

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

	TITLE I	TITLE IIA	TITLE III	IDEA PART B BASIC	IDEA PART B PRESCHOOL	PRESCHOOL AID
REVENUES:						
State sources	\$236,249.68	\$2,500.00	\$29,628.43	\$431,094.35	\$15,552.44	\$1,270,330.56
Federal sources						
Local sources						
Total revenues	<u>236,249.68</u>	<u>2,500.00</u>	<u>29,628.43</u>	<u>431,094.35</u>	<u>15,552.44</u>	<u>1,270,330.56</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers	137,549.00		27,060.00	64,361.73	15,552.44	248,913.20
Other salaries for instruction						143,496.00
Purchased professional services						22,706.45
Tuition						
General supplies	2,607.60			366,732.62		6,916.44
Total instruction	<u>140,156.60</u>		<u>27,060.00</u>	<u>431,094.35</u>	<u>15,552.44</u>	<u>422,032.09</u>
Support services:						
Salaries of other professional staff			1,960.00			185,037.93
Salaries of secretarial and clerical assistants						31,796.00
Salaries of community parent involvement specialists						16,737.00
Other salaries	89,878.00	2,500.00				731,650.00
Personal services - employee benefits						23,433.32
Purchased professional services			390.00			9,168.22
Purchased property services						
Other purchased services	6,215.08		218.43			
Supplies and materials						
Miscellaneous expenditures						
Total support services	<u>96,093.08</u>	<u>2,500.00</u>	<u>2,568.43</u>			<u>997,822.47</u>
Capital Outlay:						
Instructional equipment						
Non instructional equipment						
Total capital outlay						
Total expenditures	<u>236,249.68</u>	<u>2,500.00</u>	<u>29,628.43</u>	<u>431,094.35</u>	<u>15,552.44</u>	<u>1,419,854.56</u>
Other financing sources (uses):						
Transfer from general fund						149,524.00
Excess (deficiency) of revenues (sources) over (under) expenditures (uses)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance, July 1						
Fund Balance, June 30	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>

(Continued on next page)

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

	CRRSA ESSER II	CRRSA - ESSER ACCELERATED LEARNING	CRRSA - ESSER MENTAL HEALTH	ARP ESSER III	ARP ESSER III ACCELERATED LEARNING	ARP ESSER III MENTAL HEALTH
REVENUES:						
State sources	\$264,781.53	\$11,624.00	\$35,181.61	\$1,861,905.03	\$102,746.88	\$20,588.90
Federal sources						
Local sources						
Total revenues	<u>264,781.53</u>	<u>11,624.00</u>	<u>35,181.61</u>	<u>1,861,905.03</u>	<u>102,746.88</u>	<u>20,588.90</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers	91,474.73			70,211.37		
Other salaries for instruction						
Purchased professional services				239,646.16		
Tuition						
General supplies				309,857.53		
Total instruction	<u>91,474.73</u>			<u>309,857.53</u>		
Support services:						
Salaries of other professional staff	142,106.80					
Salaries of secretarial and clerical assistants						
Salaries of community parent involvement specialists						
Other salaries				48,047.50	102,746.88	20,588.90
Personal services - employee benefits	31,200.00	11,480.00	11,480.00	25,000.00		
Purchased professional services						
Purchased property services			20,000.00			
Other purchased services			3,701.61			
Supplies and materials						
Miscellaneous expenditures						
Total support services	<u>173,306.80</u>	<u>11,624.00</u>	<u>35,181.61</u>	<u>73,047.50</u>	<u>102,746.88</u>	<u>20,588.90</u>
Capital Outlay:						
Instructional equipment				1,479,000.00		
Non instructional equipment						
Total capital outlay				<u>1,479,000.00</u>		
Total expenditures	<u>264,781.53</u>	<u>11,624.00</u>	<u>35,181.61</u>	<u>1,861,905.03</u>	<u>102,746.88</u>	<u>20,588.90</u>
Other financing sources (uses):						
Transfer from general fund						
Excess (deficiency) of revenues over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Fund Balance, July 1						
Fund Balance, June 30	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>

(Continued on next page)

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

	SDA EMERGENT NEED	CLIMATE AWARENESS	LOCAL PROGRAMS	STUDENT ACTIVITIES ACCOUNT	SCHOLARSHIPS ACCOUNT	TOTAL
REVENUES:						
State sources	\$668.48	6,500.00				\$1,277,499.04
Federal sources			\$4,998.02	\$222,735.87	\$10,002.93	3,011,852.85
Local sources						237,736.82
Total revenues	668.48	6,500.00	4,998.02	222,735.87	10,002.93	4,527,088.71
EXPENDITURES:						
Instruction:						
Salaries of teachers						655,122.47
Other salaries for instruction						143,496.00
Purchased professional services						22,706.45
Tuition						386,732.62
General supplies		6,500.00	4,998.02			260,668.22
Total instruction		6,500.00	4,998.02			1,448,725.76
Support services:						
Salaries of other professional staff						329,104.73
Salaries of secretarial and clerical assistants						31,796.00
Salaries of community parent involvement specialists						150,794.38
Other salaries						137,815.00
Personal services - employee benefits						802,842.90
Purchased professional services	668.48					668.48
Purchased property services						43,823.32
Other purchased services						19,303.34
Supplies and materials						227,634.00
Miscellaneous expenditures				209,348.00	18,286.00	
Total support services	668.48			209,348.00	18,286.00	1,743,782.15
Capital Outlay:						
Instructional equipment						1,479,000.00
Non instructional equipment						1,479,000.00
Total capital outlay						4,671,507.91
Total expenditures	668.48	6,500.00	4,998.02	209,348.00	18,286.00	4,671,507.91
Other financing sources (uses):						
Transfer from general fund						149,524.00
Excess (deficiency) of revenues over (under) expenditures	-0-	-0-	-0-	13,387.87	(8,283.07)	5,104.80
Fund Balance, July 1				138,771.60	41,685.49	180,457.09
Fund Balance, June 30	\$-0-	\$-0-	\$-0-	\$152,159.47	\$33,402.42	\$185,561.89

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

	2023		
	<u>BUDGETED</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES:			
Instruction:			
Salaries of teachers	\$250,220.00	\$248,913.20	\$1,306.80
Other salaries for instruction	143,496.00	143,496.00	
Purchased professional services	50,000.00	22,706.45	27,293.55
General supplies	40,000.00	6,916.44	33,083.56
Total Instruction	483,716.00	422,032.09	61,683.91
Support Services:			
Salaries of other professional staff	185,037.93	185,037.93	
Salaries of secretarial and clerical assistants	6,744.07		6,744.07
Salaries of community parent involvement specialists	33,588.00	31,796.00	1,792.00
Personal services - employee benefits	208,476.00	16,737.00	191,739.00
Purchased professional educational services- Pre K	644,900.00	608,450.00	36,450.00
Purchased professional educational services- Head Start	167,705.00	123,200.00	44,505.00
Other purchased services	23,532.00	23,433.32	98.68
Supplies and materials	15,000.00	9,168.22	5,831.78
Miscellaneous expenditures	17,400.00		17,400.00
Total Support Services	1,302,383.00	997,822.47	304,560.53
Total expenditures	\$1,786,099.00	\$1,419,854.56	\$366,244.44

CALCULATION OF BUDGET AND CARRYOVER

Total 2022-2023 Preschool Education Aid Allocation	\$1,636,575.00
Add: Actual ECPA/ Preschool Education Aid Carryover (June 30, 2022)	378,841.07
Add: budgeted transfer from General Fund	149,524.00
Total Preschool Education Aid Available for 2022-2023 Budget	2,164,940.07
Less: 2022-2023 Budgeted Preschool Education Aid	(1,786,099.00)
Available and Unbudgeted Preschool Education Funds as of June 30, 2023	378,841.07
Add: June 30, 2023 Unexpended Preschool Education Aid	366,244.44
2022-2023 Carryover - Preschool Education Aid Programs	\$745,085.51
2022-2023 Preschool Education Aid Carryover Budgeted for Preschool Programs 2023-2024	\$378,841.07

OTHER FUNDS

CAPITAL PROJECTS FUND DETAIL STATEMENTS

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

ISSUE / PROJECT TITLE	ORIGINAL DATE	APPROPRIATION	CANCELED/ ADJUSTMENTS	PRIOR YEARS	EXPENDITURES TO DATE CURRENT YEAR	UNEXPENDED BALANCE JUNE 30, 2023
Pre K Classroom	07/01/21	\$50,000.00	(\$7,785.80)	\$42,214.20		
High School Track and Field	05/01/21	595,156.93	1,374,477.97	1,969,634.90		
High School Girls Locker Room	07/01/21	179,291.10	(9,624.04)	169,667.06		
High School Boys Locker Room	07/01/21	122,867.50	(9,476.08)	113,391.42		
High School Kitchen Wall Renovation	05/18/21	267,759.98	(129,778.23)	137,981.75		
High School HVAC	05/31/23	70,000.00				\$70,000.00
Weston School Various Projects	05/10/22	110,185.00	(4,118.94)	13,300.00	\$62,385.66	30,380.40
ABIS Kitchen Floor	05/10/22	75,000.00		9,000.00	55.00	65,945.00
High School Kitchen Floor	05/10/22	125,000.00			5,000.00	120,000.00
Weston School Auditorium Renovation	04/05/22	1,789,815.00	(103,485.88)	551,229.53	846,934.10	288,165.49
Weston School Boiler Project	03/24/22	550,000.00	(55,058.00)	35,486.00	459,456.00	
Weston School Roof Project	05/10/22	1,300,000.00	162,662.82	55,980.00	635,405.43	771,277.39
		<u>\$5,235,075.51</u>	<u>\$1,217,813.82</u>	<u>\$3,097,884.86</u>	<u>\$2,009,236.19</u>	<u>\$1,345,768.28</u>

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

REVENUES AND OTHER FINANCING SOURCES:	
Note proceeds	\$3,950,000.00
Transfer from capital outlay	70,000.00
Interest earned	493.42
	<hr/>
Total revenues and other financing sources	4,020,493.42
EXPENDITURES AND OTHER FINANCING USES:	
Purchased professional services	123,878.29
Construction services	1,885,357.90
Transfer out - general fund	208,054.75
	<hr/>
Total expenditures and other financing uses	2,217,290.94
Excess of revenues and other financing sources over expenditures and other financing uses	1,803,202.48
Fund balance - July 1	<hr/> (457,434.20)
Fund balance - June 30	<hr/> <u>\$1,345,768.28</u>

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - PRE K CLASSROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	\$50,000.00	(\$7,785.80)	\$42,214.20	\$42,214.20
Total revenues and other financing sources	50,000.00	(7,785.80)	42,214.20	42,214.20
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	42,214.20		42,214.20	42,214.20
Total expenditures and other financing uses	42,214.20		42,214.20	42,214.20
Excess (deficiency) of revenues over (under) expenditures	\$7,785.80	(\$7,785.80)	-\$0-	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$50,000.00			
Additional authorized cost	(7,785.80)			
Revised authorized cost	\$42,214.20			
Percentage increase over original authorized cost		N/A		
Percentage completion		100%		
Original target completion date		6/30/22		
Revised target completion date		N/A		

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL TRACK AND FIELD
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	\$1,748,532.08	(\$50,897.18)	\$1,697,634.90	\$1,649,192.72
Transfer from capital reserve	272,000.00		272,000.00	272,000.00
Total revenues and other financing sources	2,020,532.08	(50,897.18)	1,969,634.90	1,921,192.72
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	55,003.89		55,003.89	6,561.71
Construction services	1,914,631.01		1,914,631.01	1,914,631.01
Total expenditures and other financing uses	1,969,634.90		1,969,634.90	1,921,192.72
Excess (deficiency) of revenues over (under) expenditures	\$50,897.18	(\$50,897.18)	-\$0-	
ADDITIONAL PROJECT INFORMATION:				
Project number	3000-050-20-4000			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$595,156.93			
Additional authorized cost	1,326,035.79			
Revised authorized cost	\$1,921,192.72			
Percentage increase over original authorized cost	222.80%			
Percentage completion	100%			
Original target completion date	6/30/22			
Completion date	8/31/22			

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL GIRLS LOCKER ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	<u>\$179,291.10</u>	<u>(\$9,624.04)</u>	<u>\$169,667.06</u>	<u>\$169,667.06</u>
Total revenues and other financing sources	<u>179,291.10</u>	<u>(9,624.04)</u>	<u>169,667.06</u>	<u>169,667.06</u>
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	<u>169,667.06</u>	<u></u>	<u>169,667.06</u>	<u>169,667.06</u>
Total expenditures and other financing uses	<u>169,667.06</u>	<u></u>	<u>169,667.06</u>	<u>169,667.06</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$9,624.04</u>	<u>(\$9,624.04)</u>	<u>-\$0-</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$179,291.10			
Additional authorized cost	(9,624.04)			
Revised authorized cost	\$169,667.06			
Percentage increase over original authorized cost		-5%		
Percentage completion		100%		
Original target completion date		3/24/22		
Revised target completion date		N/A		

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL BOYS LOCKER ROOM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	<u>\$122,867.50</u>	<u>(\$9,476.08)</u>	<u>\$113,391.42</u>	<u>\$113,391.42</u>
Total revenues and other financing sources	<u>122,867.50</u>	<u>(9,476.08)</u>	<u>113,391.42</u>	<u>113,391.42</u>
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	<u>113,391.42</u>	<u></u>	<u>113,391.42</u>	<u>113,391.42</u>
Total expenditures and other financing uses	<u>113,391.42</u>	<u></u>	<u>113,391.42</u>	<u>113,391.42</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$9,476.08</u>	<u>(\$9,476.08)</u>	<u>-\$0-</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$122,867.50			
Additional authorized cost	(9,476.08)			
Revised authorized cost	\$113,391.42			
Percentage increase over original authorized cost		-8%		
Percentage completion		100%		
Original target completion date		3/24/22		
Revised target completion date		N/A		

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - HIGH SCHOOL KITCHEN WALL RENOVATION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	<u>\$267,759.98</u>	<u>(\$129,778.23)</u>	<u>\$137,981.75</u>	<u>\$137,981.75</u>
Total revenues and other financing sources	<u>267,759.98</u>	<u>(129,778.23)</u>	<u>137,981.75</u>	<u>137,981.75</u>
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	<u>137,981.75</u>	<u></u>	<u>137,981.75</u>	<u>137,981.75</u>
Total expenditures and other financing uses	<u>137,981.75</u>	<u></u>	<u>137,981.75</u>	<u>137,981.75</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$129,778.23</u>	<u>(\$129,778.23)</u>	<u>-\$0-</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$267,759.98			
Additional authorized cost	(129,778.23)			
Revised authorized cost	\$137,981.75			
Percentage increase over original authorized cost		-48%		
Percentage completion		100%		
Original target completion date		8/31/21		
Revised target completion date		N/A		

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - MANVILLE HIGH SCHOOL HVAC
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	_____	\$70,000.00	\$70,000.00	\$70,000.00
Total revenues and other financing sources	_____	70,000.00	70,000.00	70,000.00
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	_____	_____	_____	70,000.00
Total expenditures and other financing uses	_____	_____	_____	70,000.00
Excess (deficiency) of revenues over (under) expenditures	-\$0-	\$70,000.00	\$70,000.00	
ADDITIONAL PROJECT INFORMATION:				
Project number		N/A		
Grant date		N/A		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost	\$70,000.00			
Additional authorized cost				
Revised authorized cost	\$70,000.00			
Percentage increase over original authorized cost				
Percentage completion		5%		
Original target completion date		8/31/24		
Revised target completion date		N/A		

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOND REFERENDUM- WESTON SCHOOL VARIOUS PROJECTS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Note proceeds		\$110,185.00	\$110,185.00	\$110,185.00
Transfer to other capital project		(4,118.94)	(4,118.94)	(4,118.94)
Total revenues and other financing sources		<u>106,066.06</u>	<u>106,066.06</u>	<u>106,066.06</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	13,300.00	9,655.41	22,955.41	23,000.00
Construction services		52,730.25	52,730.25	83,066.06
Total expenditures and other financing uses	<u>13,300.00</u>	<u>62,385.66</u>	<u>75,685.66</u>	<u>106,066.06</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$13,300.00)</u>	<u>\$43,680.40</u>	<u>\$30,380.40</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	35-3000-090-20-4000			
Grant date	N/A			
Note authorization date	1/25/22			
Notes authorized	2/15/22			
Notes issued	7/6/22			
Original authorized cost	\$110,185.00			
Additional authorized cost	(4,118.94)			
Revised authorized cost	\$106,066.06			
Percentage increase over original authorized cost	-4%			
Percentage completion	95%			
Original target completion date	2/1/23			
Revised target completion date	11/30/23			

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOND REFERENDUM- ABIS KITCHEN FLOOR
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Note Proceeds		\$75,000.00	\$75,000.00	\$75,000.00
Total revenues and other financing sources		75,000.00	75,000.00	75,000.00
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	\$9,000.00	\$55.00	\$9,055.00	75,000.00
Total expenditures and other financing uses	9,000.00	55.00	9,055.00	75,000.00
Excess (deficiency) of revenues over (under) expenditures	(\$9,000.00)	\$74,945.00	\$65,945.00	
ADDITIONAL PROJECT INFORMATION:				
Project number	35-3000-065-20-1000			
Grant date	N/A			
Note authorization date	1/25/22			
Notes authorized	2/15/22			
Bonds issued	7/6/22			
Original authorized cost	\$75,000.00			
Additional authorized cost				
Revised authorized cost	\$75,000.00			
Percentage increase over original authorized cost	0%			
Percentage completion	100%			
Original target completion date	8/31/22			
Revised target completion date	8/31/22			

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOND REFERENDUM- HIGH SCHOOL KITCHEN FLOOR
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Note Proceeds		\$125,000.00	\$125,000.00	\$125,000.00
Total revenues and other financing sources		125,000.00	125,000.00	125,000.00
EXPENDITURES AND OTHER FINANCING USES:				
Construction services		5,000.00	5,000.00	125,000.00
Total expenditures and other financing uses		5,000.00	5,000.00	125,000.00
Excess (deficiency) of revenues over (under) expenditures	\$-0-	\$120,000.00	\$120,000.00	
ADDITIONAL PROJECT INFORMATION:				
Project number	35-3000-050-20-3000			
Grant date	N/A			
Note authorization date	1/25/22			
Notes authorized	2/15/22			
Notes issued	7/6/22			
Original authorized cost	\$125,000.00			
Additional authorized cost				
Revised authorized cost	\$125,000.00			
Percentage increase over original authorized cost	0%			
Percentage completion	95%			
Original target completion date	8/31/23			
Revised target completion date	8/31/23			

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOND REFERENDUM- WESTON SCHOOL AUDITORIUM CONVERSION
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Note proceeds		\$1,789,815.00	\$1,789,815.00	\$1,789,815.00
Transfer to other capital project		(103,485.88)	(103,485.88)	(103,485.88)
Total revenues and other financing sources		<u>1,686,329.12</u>	<u>1,686,329.12</u>	<u>1,686,329.12</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	\$109,988.84	39,267.00	149,255.84	153,779.12
Construction services	441,240.69	807,667.10	1,248,907.79	1,532,550.00
Total expenditures and other financing uses	<u>551,229.53</u>	<u>846,934.10</u>	<u>1,398,163.63</u>	<u>1,686,329.12</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$551,229.53)</u>	<u>\$839,395.02</u>	<u>\$288,165.49</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	35-3000-090-20-4000			
Grant date	N/A			
Note authorization date	1/25/22			
Bonds authorized	2/15/22			
Notes issued	7/6/22			
Original authorized cost	\$1,789,815.00			
Additional authorized cost	(103,485.88)			
Revised authorized cost	\$1,686,329.12			
Percentage increase over original authorized cost	-6%			
Percentage completion	95%			
Original target completion date	2/1/23			
Revised target completion date	11/30/23			

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOND REFERENDUM- WESTON SCHOOL BOILER PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Note proceeds		\$550,000.00	\$550,000.00	\$550,000.00
Transfer to other capital project		(55,058.00)	(55,058.00)	(55,058.00)
Total revenues and other financing sources		<u>494,942.00</u>	<u>494,942.00</u>	<u>494,942.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	\$23,696.00	24,475.00	48,171.00	48,171.00
Construction services	11,790.00	434,981.00	446,771.00	446,771.00
Total expenditures and other financing uses	<u>35,486.00</u>	<u>459,456.00</u>	<u>494,942.00</u>	<u>494,942.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$35,486.00)</u>	<u>\$35,486.00</u>	<u>\$0.00</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	35-3000-090-20-4000			
Grant date	N/A			
Note authorization date	1/25/22			
Notes authorized	2/15/22			
Notes issued	7/6/22			
Original authorized cost	\$550,000.00			
Additional authorized cost	(55,058.00)			
Revised authorized cost	\$494,942.00			
Percentage increase over original authorized cost	-10%			
Percentage completion	100%			
Original target completion date	10/14/22			
Revised target completion date	10/14/22			

BOROUGH OF MANVILLE SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS
BUDGETARY BASIS - BOND REFERENDUM- WESTON SCHOOL ROOF PROJECT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Note proceeds		\$1,300,000.00	\$1,300,000.00	\$1,300,000.00
Transfer from other capital project		162,662.82	162,662.82	162,682.82
Total revenues and other financing sources		<u>1,462,662.82</u>	<u>1,462,662.82</u>	<u>1,462,682.82</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	\$55,980.00	50,480.88	106,460.88	121,662.82
Construction services		584,924.55	584,924.55	1,341,000.00
Total expenditures and other financing uses	<u>55,980.00</u>	<u>635,405.43</u>	<u>691,385.43</u>	<u>1,462,662.82</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(\$55,980.00)</u>	<u>\$827,257.39</u>	<u>\$771,277.39</u>	
ADDITIONAL PROJECT INFORMATION:				
Project number	35-3000-090-22-1000			
Grant date	N/A			
Note authorization date	1/25/22			
Notes authorized	2/15/22			
Notes issued	7/6/22			
Original authorized cost	\$1,300,000.00			
Additional authorized cost	162,682.82			
Revised authorized cost	\$1,462,682.82			
Percentage increase over original authorized cost	13%			
Percentage completion	95%			
Original target completion date	8/31/23			
Revised target completion date	11/30/23			

LONG-TERM DEBT SCHEDULES

The Long-Term Debt schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District.

BOROUGH OF MANVILLE SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SHORT TERM NOTES
JUNE 30, 2023

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES DATE</u>	<u>AMOUNT</u>	<u>INTEREST RATE</u>	<u>INCREASED BY</u>	<u>BALANCE JUNE 30, 2023</u>
Capital improvements	07/06/22	\$3,950,000.00	07/05/23	\$3,950,000.00	2.98%	\$3,950,000.00	\$3,950,000.00
						<u>\$3,950,000.00</u>	<u>\$3,950,000.00</u>

BOROUGH OF MANVILLE SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER INSTALLMENT PURCHASE CONTRACT AGREEMENTS
JUNE 30, 2023

<u>DESCRIPTION</u>	<u>INTEREST</u> <u>RATE PAYABLE</u>	<u>AMOUNT OF</u> <u>ORIGINAL</u> <u>ISSUE</u>	<u>AMOUNT</u> <u>OUTSTANDING</u> <u>JUNE 30, 2022</u>	<u>RETIRED</u> <u>CURRENT YEAR</u>
Technology Infrastructure and Related Equipment	3.037%	\$383,531.15	\$78,965.10	\$76,637.62
			<u>\$78,965.10</u>	<u>\$76,637.62</u>

BOROUGH OF MANVILLE SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>ORIGINAL</u> <u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
Fund balance, July 1	<u>2,225.03</u>	<u>\$2,225.03</u>	<u> </u>
Fund balance, June 30	<u>\$2,225.03</u>	<u>\$2,225.03</u>	<u> </u>

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STATISTICAL SECTION
(UNAUDITED)

BOROUGH OF MANVILLE SCHOOL DISTRICT
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand provides and the activities it performs.	J-16 to J-20

Sources

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

BOROUGH OF MANVILLE SCHOOL DISTRICT
NET POSITION BY COMPONENT
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities										
Net investment in capital assets	\$12,091,495.94	\$14,227,962.74	\$11,751,660.33	\$10,948,179.97	\$9,430,272.20	\$8,198,127.00	\$8,382,399.00	\$8,571,973.00	\$8,308,588.15	\$7,909,823.51
Restricted	9,895,932.54	6,443,124.35	5,620,966.98	3,140,286.31	2,687,500.29	1,552,862.00	1,253,138.00	944,226.00	1,526,474.37	1,824,512.16
Unrestricted (Deficit)	(4,488,945.90)	(7,774,614.05)	(6,414,436.33)	(6,546,808.76)	(6,771,008.08)	(6,754,319.00)	(6,600,174.00)	(6,026,238.00)	(5,314,118.00)	(114,810.20)
Total governmental activities net position	<u>17,618,482.58</u>	<u>12,896,473.04</u>	<u>10,958,190.98</u>	<u>7,541,657.52</u>	<u>5,346,764.41</u>	<u>2,896,670.00</u>	<u>3,035,363.00</u>	<u>3,489,961.00</u>	<u>4,520,944.52</u>	<u>9,619,525.47</u>
Business-type activities										
Net investment in capital assets	131,207.41	13,425.60	14,674.93	15,924.24	11,914.31	14,472.00	1,474.00	3,296.00	5,908.89	8,734.89
Unrestricted	628,233.38	628,968.24	413,322.49	200,809.36	169,223.80	128,586.00	91,034.00	41,401.00	11,358.96	23,889.08
Total business-type activities net position	<u>759,440.79</u>	<u>642,393.84</u>	<u>427,997.42</u>	<u>216,733.60</u>	<u>181,137.91</u>	<u>143,058.00</u>	<u>92,508.00</u>	<u>44,697.00</u>	<u>17,267.85</u>	<u>32,623.97</u>
Government-wide										
Net investment in capital assets	12,222,703.35	14,241,388.34	11,766,335.26	10,964,104.21	9,442,186.51	8,212,599.00	8,383,873.00	8,575,269.00	8,314,497.04	7,918,558.40
Restricted	9,895,932.54	6,443,124.35	5,620,966.98	3,140,286.31	2,687,500.29	1,552,862.00	1,253,138.00	944,226.00	1,526,474.37	1,824,512.16
Unrestricted (Deficit)	(3,840,712.52)	(7,143,645.81)	(6,001,113.84)	(6,345,999.40)	(6,601,784.48)	(6,625,733.00)	(6,509,148.00)	(5,984,837.00)	(5,302,759.04)	(90,921.12)
Total net position	<u>\$18,377,923.37</u>	<u>\$13,538,866.88</u>	<u>\$11,386,188.40</u>	<u>\$7,758,391.12</u>	<u>\$5,527,902.32</u>	<u>\$3,139,728.00</u>	<u>\$3,127,871.00</u>	<u>\$3,534,658.00</u>	<u>\$4,538,212.37</u>	<u>\$9,652,149.44</u>

Source: CAFR Schedule A-1

BOROUGH OF MANVILLE SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
EXPENSES:										
Governmental activities										
Instruction:										
Regular	\$12,861,607.54	\$13,423,334.67	\$13,364,137.74	\$11,210,751.51	\$11,382,366.56	\$10,621,957.00	\$8,824,709.00	\$9,544,675.00	\$8,788,581.00	\$7,623,700.99
Special education	6,027,732.00	6,353,078.37	5,795,624.44	5,936,471.95	6,071,715.14	6,714,821.00	5,748,680.00	5,171,776.00	4,138,797.00	3,864,974.35
Other instruction	1,946,972.92	1,850,408.31	1,644,617.33	1,556,815.13	1,445,910.41	1,320,075.00	1,349,444.00	1,290,370.00	1,052,997.00	930,224.12
Support Services:										
Student & instruction related services	7,178,214.93	6,601,379.08	5,924,035.94	4,906,718.72	4,850,722.85	4,720,541.00	4,877,502.00	4,116,044.00	3,896,269.00	3,455,683.02
General administrative services	765,358.07	757,218.01	788,811.74	721,463.80	537,961.56	549,233.00	631,640.00	581,937.00	684,660.00	604,444.14
School administrative services	1,725,742.49	1,784,035.28	1,912,069.30	1,647,439.84	1,663,121.80	1,701,495.00	1,604,754.00	1,399,656.00	1,341,327.00	1,147,878.74
Central services	529,012.51	410,372.66	437,313.25	456,172.73	484,710.32	454,944.00	565,916.00	476,077.00	465,312.00	495,155.75
Administration information technology	132,347.67	128,793.49	140,036.55	274,744.61	131,987.69	138,285.00	155,104.00	137,199.00	142,388.00	111,590.29
Plant operations and maintenance	3,362,452.92	2,447,367.04	2,601,216.20	2,665,538.40	2,877,134.66	2,637,081.00	3,030,516.00	2,904,432.00	2,620,204.00	2,784,755.25
Student transportation services	1,151,923.34	1,603,869.37	560,169.69	531,968.24	666,781.74	650,984.00	544,284.00	511,404.00	511,404.00	418,296.71
Interest on long-term debt	0.00	0.00	0.00	0.00	21.83	5,528.00	10,461.00	15,076.00	19,574.00	23,765.67
Unallocated depreciation	188,904.92	255,614.52	259,766.77	259,767.07	259,766.77	259,767.00	259,767.00	286,910.54	207,594.61	207,594.61
Total governmental activities expenses	36,009,969.30	35,615,472.69	33,427,789.95	29,867,852.00	30,372,603.35	29,774,708.00	28,392,748.00	25,401,149.00	23,898,423.54	21,467,983.64
Business-type activities:										
Food Service	945,178.41	993,111.07	777,161.88	615,772.36	691,275.14	658,664.00	602,113.00	588,684.00	572,917.78	514,888.73
Total business-type activities expense	945,178.41	993,111.07	777,161.88	615,772.36	691,275.14	658,664.00	602,113.00	588,684.00	572,917.78	514,888.73
Total district expenses	36,955,147.71	36,608,583.76	34,204,951.83	30,483,624.36	31,063,878.49	30,433,372.00	28,994,861.00	26,990,033.00	24,471,341.32	21,982,872.37
PROGRAM REVENUES										
Governmental activities:										
Charges for services	222,735.87	188,128.30	107,735.37	203,981.40	7,129,278.07	7,866,653.00	7,183,722.00	5,558,275.00	4,435,829.00	2,447,715.95
Operating grants and contributions	7,539,968.80	8,370,537.05	9,899,049.45	5,839,423.72	7,129,278.07	7,866,653.00	7,183,722.00	5,558,275.00	4,435,829.00	2,447,715.95
Total governmental activities program revenues	7,762,704.67	8,558,665.35	9,998,784.82	6,043,405.12	7,129,278.07	7,866,653.00	7,183,722.00	5,558,275.00	4,435,829.00	2,447,715.95
Business-type activities:										
Charges for services	266,956.51	92,672.97	13,113.85	210,381.20	286,473.45	258,064.00	237,581.00	231,921.00	220,573.73	216,417.97
Food Service	780,533.48	1,114,192.07	975,183.83	440,384.82	442,095.64	450,841.00	412,262.00	384,288.00	396,926.97	315,012.35
Operating grants and contributions	1,047,897.99	1,206,855.04	988,297.68	650,766.02	728,569.08	708,905.00	649,843.00	616,209.00	557,500.70	531,430.32
Total business type activities program revenues	8,810,596.66	9,765,520.39	10,965,082.50	6,694,171.14	7,857,847.16	8,575,558.00	7,833,565.00	6,174,484.00	4,993,329.70	2,979,146.27
Total district program revenues	(28,247,264.63)	(27,056,807.34)	(23,431,005.13)	(23,824,446.88)	(23,243,325.28)	(21,908,055.00)	(21,209,027.00)	(20,842,874.00)	(19,462,594.64)	(19,020,267.69)
NET (EXPENSE) REVENUE	102,719.58	213,743.97	211,135.80	34,993.66	37,232.95	50,241.00	47,730.00	27,325.00	(15,417.08)	16,541.59
Governmental activities										
Business-type activities										
Total district-wide net expense	(\$28,144,551.05)	(\$28,843,063.37)	(\$23,219,869.33)	(\$23,789,453.22)	(\$23,206,031.33)	(\$21,657,814.00)	(\$21,161,297.00)	(\$20,815,546.00)	(\$19,478,011.62)	(\$19,003,726.10)

BOROUGH OF MANVILLE SCHOOL DISTRICT
CHANGES IN NET POSITION
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental activities:										
Property taxes levied for general purposes, net	\$15,656,016.00	\$15,656,016.00	\$15,656,016.00	\$15,656,016.00	\$15,656,016.00	\$15,656,861.00	\$15,019,215.00	\$14,136,481.00	\$13,859,295.00	\$13,587,543.00
Taxes levied for debt service	16,835,415.50	13,313,444.30	11,055,583.37	10,341,073.79	123,662.00	122,797.00	122,580.00	127,144.00	126,500.00	54,352.00
Unrestricted grants and contributions	377,842.67	25,629.10	135,939.22	172,192.83	9,374,052.91	6,155,382.00	5,532,483.00	5,401,152.00	5,608,467.55	5,255,650.97
Miscellaneous income					137,520.71	137,637.00	141,955.00	147,114.00	223,489.22	192,273.19
Canceled receivable						(203,635.00)	(61,794.00)			
Total governmental activities	32,869,274.17	28,995,089.40	26,847,538.59	26,169,282.62	25,291,251.62	21,869,362.00	20,754,429.00	19,811,591.00	19,817,761.77	19,089,819.16
Business-type activities:										
Miscellaneous income	14,333.37	652.45	128.02	602.03	785.76	309.00	81.00	104.00	60.96	56.63
Total business-type activities	14,333.37	652.45	128.02	602.03	785.76	309.00	81.00	104.00	60.96	56.63
Total government-wide	32,883,607.54	29,647,741.85	26,975,666.61	26,771,884.65	26,072,037.38	22,178,671.00	20,835,910.00	19,915,695.00	19,878,822.73	19,146,375.79
CHANGE IN NET POSITION										
Governmental activities	4,722,009.54	1,938,282.06	3,416,533.46	2,344,835.74	2,047,926.34	(38,693.00)	(454,598.00)	(1,030,983.00)	365,167.23	69,551.47
Business-type activities	117,046.95	214,396.42	211,263.82	35,595.69	38,079.71	50,500.00	47,811.00	27,429.00	(15,356.12)	16,598.22
Total change in net position	\$4,839,056.49	\$2,152,678.48	\$3,627,797.28	\$2,380,431.43	\$2,086,006.05	\$11,857.00	(\$406,787.00)	(\$1,003,554.00)	\$339,811.11	\$86,149.69

Source: CAFR Schedule A-2

BOROUGH OF MANVILLE SCHOOL DISTRICT
 FUND BALANCES - GOVERNMENTAL FUNDS
 UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Restricted	\$8,063,979.37	\$4,471,317.18	\$4,707,665.99	\$3,005,268.22	\$1,547,355.69	\$621,911.00	\$637,273.00	\$365,254.00	\$732,045.07	\$1,208,555.24
Assigned	950,076.06	439,936.28	570,728.29	232,114.56	1,137,919.57	905,919.00	330,249.00	226,914.00	774,796.43	472,712.31
Unassigned		100,694.88	153,971.50							
Total general fund	<u>9,014,055.43</u>	<u>5,011,948.34</u>	<u>5,432,365.78</u>	<u>3,237,382.78</u>	<u>2,685,275.26</u>	<u>1,527,830.00</u>	<u>967,522.00</u>	<u>592,168.00</u>	<u>1,506,841.50</u>	<u>1,681,267.55</u>
All Other Governmental Funds										
Restricted	291,467.32	182,682.12	189,077.51	1,949.03	2,225.03	27,472.00	290,323.00	352,058.00	523,013.30	365,956.92
Committed	1,242,087.88	1,789,125.05	299,261.19					8,800.00		
Unassigned (deficit)	<u>(365,244.00)</u>	<u>(2,380,405.25)</u>	<u>(217,110.00)</u>							
Total all other governmental funds	<u>\$1,167,311.20</u>	<u>(\$408,598.08)</u>	<u>\$271,228.70</u>	<u>\$1,949.03</u>	<u>\$2,225.03</u>	<u>\$27,472.00</u>	<u>\$290,323.00</u>	<u>\$360,858.00</u>	<u>\$523,013.30</u>	<u>\$365,956.92</u>

Source: CAFR Schedule B-1

BOROUGH OF MANVILLE SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
UNAUDITED

	2023	2022	2021	2020	2019	2017	2016	2015	2014
Revenues									
Tax levy	\$15,556,016.00	\$15,556,016.00	\$15,556,016.00	\$15,556,016.00	\$15,779,678.00	\$15,141,795.00	\$14,253,525.00	\$13,987,995.00	\$13,641,895.00
Interest earnings - capital reserve fund	8,484.39	578.62	366.23	4,520.40	3,484.80	732.00	846.00	1,181.94	1,534.70
Miscellaneous	607,094.90	241,177.51	256,350.50	381,018.03	136,479.46	146,286.00	152,446.00	231,288.68	205,596.15
State sources	24,413,147.43	20,814,842.03	16,241,923.48	13,876,284.82	12,593,675.41	7,698,893.00	7,496,215.00	7,423,993.19	6,827,796.22
Federal sources	1,763,934.92	1,450,180.59	1,493,208.18	839,020.36	769,791.02	857,425.00	868,705.00	742,632.71	860,713.04
Total revenue	42,448,677.84	38,162,794.75	33,649,864.41	30,756,859.71	29,285,108.69	23,845,073.00	22,781,837.00	22,384,892.52	21,537,535.11
Expenditures									
Instruction									
Regular instruction	8,559,707.74	8,207,749.42	7,541,118.19	7,083,175.86	6,584,765.31	5,433,886.00	5,856,331.00	5,412,559.18	5,410,480.92
Special education instruction	3,137,704.05	2,965,333.76	2,816,853.30	2,814,879.00	2,751,471.64	2,486,478.00	2,448,344.00	2,171,614.80	2,167,452.64
Other instruction	1,253,106.28	1,114,162.67	901,735.50	995,231.27	888,398.66	785,813.00	783,506.00	699,448.25	684,005.47
Support Services:									
Tuition	1,452,812.06	1,652,174.27	1,205,485.12	1,279,314.16	1,305,186.98	1,197,177.00	1,169,211.00	973,652.22	899,540.09
Student & instruction related services	5,444,316.40	4,597,769.40	3,850,033.74	3,171,883.33	3,010,996.04	2,833,866.00	2,724,326.00	2,573,088.71	2,629,280.97
General administrative services	746,785.60	765,672.09	707,668.98	643,655.66	482,671.13	499,786.00	503,068.00	617,468.12	501,357.58
School administrative services	1,102,159.81	1,045,876.32	1,044,313.24	1,025,479.86	954,560.32	864,340.00	842,567.00	824,757.44	811,545.52
Central services	519,023.58	421,244.27	376,761.84	392,117.57	404,489.03	371,716.00	366,690.00	371,389.99	364,950.80
Administration information technology	128,112.04	125,349.94	124,811.68	272,609.24	120,748.63	129,727.00	122,554.00	129,663.51	111,053.12
Plant operations and maintenance	3,312,546.90	2,475,107.60	2,349,681.47	2,408,989.01	2,603,357.85	2,345,080.00	2,378,857.00	2,207,446.36	2,224,839.10
Student transportation services	1,151,623.34	1,003,869.37	560,169.69	531,968.24	666,761.74	544,254.00	503,227.00	511,403.74	418,256.71
Employee benefits	11,475,091.53	11,030,422.30	8,483,610.52	7,288,172.04	6,794,791.56	5,863,387.00	5,510,080.00	5,163,536.37	4,892,114.11
Capital outlay	2,437,572.14	3,168,307.56	1,323,358.47	2,297,551.95	1,471,020.23	11,571.00	538,559.00	610,734.50	944,307.19
Debt service:									
Principal									
Interest and other charges									
Total expenditures	40,820,661.47	39,263,038.97	31,185,601.74	30,205,028.19	28,152,911.14	23,469,660.00	23,876,266.00	22,393,462.19	22,184,783.22
Excess (Deficiency) of revenues over (under) expenditures	1,628,016.37	(1,100,244.22)	2,464,262.67	551,831.52	1,132,197.55	375,413.00	(1,094,423.00)	(8,569.67)	(647,258.11)
Other Financing sources (uses)									
Note proceeds	3,950,000.00								
Transfers in	427,578.75	2,189,885.29	969,963.82	188.68	291,071.66	58.00	683,421.00	501,273.14	1,016,751.61
Transfers out	(427,578.75)	(2,189,885.29)	(969,963.82)	(188.68)	(291,071.66)	(58.00)	(683,421.00)	(501,273.14)	(1,016,751.61)
Cancelled receivable						(61,794.00)			
Total other financing sources (uses)	3,950,000.00	0.00	0.00	0.00	0.00	(61,794.00)	0.00	0.00	0.00
Net change in fund balances	\$5,578,016.37	(\$1,100,244.22)	\$2,464,262.67	\$551,831.52	\$1,132,197.55	\$313,619.00	(\$1,094,423.00)	(\$8,569.67)	(\$647,258.11)
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.46%	0.52%	0.54%	0.56%	0.59%

Source: CAFR Schedule B-2

EXHIBIT "J-5"

BOROUGH OF MANVILLE SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Preschool/ PK</u> <u>Tuition</u>	<u>Interest on</u> <u>Investments</u>	<u>Rental Income</u>	<u>E-Rate</u>	<u>Miscellaneous</u>	<u>Total</u>
2023		\$214,811.83		\$46,245.20	\$93,645.34	\$354,702.37
2022		9,925.33			15,031.02	\$24,956.35
2021	\$4,800.00	4,575.37			126,173.46	135,548.83
2020	57,985.00	15,149.88	\$3,005.00		16,566.12	92,706.00
2019		22,432.93	25,574.50		85,660.41	133,667.84
2018		10,168.75	23,310.58	22,694.06	79,758.00	135,931.39
2017	47,106.00	3,344.00	10,925.00	34,535.00	45,235.00	141,145.00
2016	17,150.00	2,274.59	28,800.00	46,967.54	57,254.00	152,446.13
2015	38,892.63	1,573.56	37,800.00	35,044.00	107,733.95	221,044.14
2014	46,555.00	1,941.29	12,200.00	22,119.22	107,920.84	190,736.35

Source: District Records

BOROUGH OF MANVILLE SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
UNAUDITED

Fiscal Year Ended December 31,	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (a)	Net Valuation Taxable	Est. Actual (County Equalized Value)	Total Direct School Tax Rate (b)
2023	\$9,067,600.00	\$1,054,086,300.00	\$110,144,500.00	\$58,813,300.00	\$14,730,300.00	\$1,246,842,000.00	\$2,094,300.00	\$1,248,936,300.00	\$1,246,842,000.00	1.254
2022	8,346,900.00	917,856,400.00	98,284,200.00	43,554,600.00	13,078,500.00	1,081,120,600.00	2,073,200.00	1,083,193,800.00	1,081,120,600.00	1.445
2021	8,809,800.00	837,951,700.00	92,928,600.00	34,204,200.00	12,675,800.00	986,570,100.00	2,091,662.00	988,661,762.00	1,027,156,167.00	1.583
2020	8,535,000.00	772,302,300.00	89,459,600.00	34,145,200.00	11,959,400.00	916,401,500.00	2,005,659.00	918,407,159.00	955,101,343.00	1.704
2019	7,903,100.00	738,856,450.00	87,224,500.00	32,799,700.00	11,887,300.00	878,671,050.00	2,005,659.00	880,676,709.00	926,819,107.00	1.785
2018	7,814,600.00	727,564,150.00	87,610,900.00	32,845,600.00	11,729,300.00	867,364,550.00	1,993,914.00	869,358,464.00	895,004,762.00	1.815
2017	7,909,200.00	728,313,850.00	88,081,000.00	32,845,600.00	11,871,400.00	868,878,950.00	2,015,091.00	870,894,041.00	893,281,029.00	1.767
2016 *	8,432,500.00	732,544,900.00	88,551,500.00	32,845,600.00	11,871,400.00	874,245,900.00	2,011,879.00	876,257,779.00	892,474,858.00	1.678
2015	8,161,600.00	933,615,455.00	98,594,835.00	36,813,580.00	12,989,400.00	1,090,174,870.00	2,027,361.00	1,092,202,231.00	873,247,816.00	1.290
2014	9,143,200.00	948,410,950.00	100,425,835.00	37,013,580.00	13,084,400.00	1,108,077,965.00	1,980,349.00	1,110,058,314.00	914,732,274.00	1.244

* revaluation

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, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
 (b): Tax rates are per \$100

BOROUGH OF MANVILLE SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
UNAUDITED

Fiscal Year Ended December 31,	Borough of Manville Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	Total Direct School Tax Rate	Borough of Manville	Somerset County	
2023	\$1.254		\$1.254	\$0.790	\$0.360	\$2.404
2022	1.445		1.445	0.794	0.377	2.616
2021	1.583		1.583	0.976	0.398	2.957
2020	1.704		1.704	1.039	0.406	3.149
2019	1.785		1.785	1.063	0.419	3.267
2018	1.810	0.014	1.824	1.040	0.410	3.274
2017	1.760	0.014	1.774	1.023	0.416	3.213
2016	1.670	0.015	1.685	1.016	0.404	3.105
2015	1.280	0.012	1.292	0.809	0.315	2.416
2014	1.240	0.005	1.245	0.800	0.323	2.368

Source: District Records and Municipal Tax Collector
(Rates are per \$100 of assessed value)

(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.

BOROUGH OF MANVILLE SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS - CURRENT YEAR AND NINE YEARS AGO
 UNAUDITED

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Adesa Auctions Corp.	\$45,328,100.00	1	3.64%	\$25,000,000.00	2	2.26%
National Retail Resources, LP	45,080,000.00	2	3.62%	\$35,800,000.00	1	3.23%
Manville Vant Realty, LLC	6,550,000.00	3	0.53%			
Kontos, Georgios	3,920,600.00	4	0.31%			
MMG Corp & Forsyth Street LLC	3,650,000.00	5	0.29%			
Valerie Villas, LLC	3,550,000.00	6	0.28%			
Amsdell Storage Vetures	3,320,000.00	7	0.27%			
Rustic Mail, LLC	3,142,800.00	8	0.25%	2,790,000.00	4	0.25%
Kof, Andrzej & Sabina	3,118,600.00	9	0.25%			
Eagles Rental	2,637,400.00	10	0.21%			
Owners Association				2,810,000.00	3	0.25%
Rosalie Main Street LLC				2,203,100.00	5	0.20%
Bell Atlantic - Property Tax Dept				1,980,349.00	6	0.18%
J.A.G. Propertis LLC				1,800,700.00	7	0.16%
Manhil, LLC				1,693,000.00	8	0.15%
Riverview Park, LLC				1,629,600.00	9	0.15%
Ketusky Funeral Home				1,590,500.00	10	0.14%
Total	\$120,297,500.00		9.65%	\$77,297,249.00		6.98%

Source: Municipal Tax Assessor

BOROUGH OF MANVILLE SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
UNAUDITED

<u>Fiscal Year Ended June 30,</u>	<u>Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (a)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2023	\$15,656,016.00	\$15,656,016.00	100%	
2022	15,656,016.00	15,656,016.00	100%	
2021	15,656,016.00	15,656,016.00	100%	
2020	15,656,016.00	15,656,016.00	100%	
2019	15,779,678.00	15,779,678.00	100%	
2018	15,779,678.00	15,779,678.00	100%	
2017	15,141,795.00	15,141,795.00	100%	
2016	14,263,625.00	14,263,625.00	100%	
2015	13,985,754.00	13,985,754.00	100%	
2014	13,641,895.00	13,641,895.00	100%	

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, in is the amount voted upon or certified prior to the end of the school year.

BOROUGH OF MANVILLE SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds/Notes (b)	Installment Purchase Contracts			
2023	\$3,950,000.00		\$3,950,000.00	0.32%	\$363.22
2022		\$78,965.10	\$78,965.10	0.01%	7.26
2021		155,602.72	155,602.72	0.01%	14.39
2020		229,981.45	229,981.45	0.02%	22.89
2019		302,167.88	302,167.88	0.03%	29.76
2018	121,000.00		121,000.00	0.01%	11.84
2017	236,000.00		236,000.00	0.02%	23.04
2016	346,000.00		346,000.00	0.04%	33.63
2015	456,000.00		456,000.00	0.05%	44.35
2014	561,000.00		561,000.00	0.07%	54.29

Source: District CAFR 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.

BOROUGH OF MANVILLE SCHOOL DISTRICT
RATIOS OF NET BONDED DEBT OUTSTANDING
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds/Notes	Deductions			
2023	\$3,950,000.00		\$3,950,000.00	0.32%	\$363.22
2022					
2021					
2020					
2019					
2018	121,000.00	\$1,856.00	119,144.00	0.01%	11.66
2017	236,000.00	1,795.00	234,205.00	0.03%	22.86
2016	346,000.00	1,736.00	344,264.00	0.04%	33.46
2015	456,000.00		456,000.00	0.04%	44.35
2014	561,000.00		561,000.00	0.05%	54.29

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.

BOROUGH OF MANVILLE SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022
UNAUDITED

<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			
Manville Borough	\$4,622,129.97	100%	\$4,622,129.97
Other debt			
Somerset County	265,237,860.00	1.66%	4,393,533.26
Somerset-Raritan Valley Sewage Authority	51,130,387.51	8.19%	4,187,578.74
Subtotal, overlapping debt			13,203,241.97
Manville Borough School District Direct Debt			3,950,000.00
Total direct and overlapping debt			<u>\$17,153,241.97</u>

Source: Borough of Manville Chief Financial Officer, Somerset County Treasurer's Office and Somerset-Raritan Valley Sewage Authority

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 Manville. 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.

**BOROUGH OF MANVILLE SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
UNAUDITED**

Legal Debt Margin Calculation for Calendar Year 2022:

Equalized Valuation Basis

Calendar Year	
2022	\$1,104,875,422.00
2021	1,025,114,505.00
2020	953,095,684.00
	<u>3,083,085,611.00</u>
Average Equalized Valuation of Taxable Property	1,027,695,203.67
Debt Limit (4% (a) of average equalization value)	41,107,808.15
Total Net Debt Applicable to Limit	(3,950,000.00)
Legal Debt Margin	<u>\$37,157,808.15</u>

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Debt Limit	\$41,107,808.15	\$38,706,981.33	\$37,359,027.87	\$36,577,614.36	\$36,110,356.93	\$35,662,750.80	\$35,373,121.00	\$35,656,503.00	\$36,728,656.00	\$39,751,200.12
Total Net Debt Applicable To Limit	3,950,000.00						236,000.00	346,000.00	456,000.00	561,000.00
Legal Debt Margin	<u>\$37,157,808.15</u>	<u>\$38,706,981.33</u>	<u>\$37,359,027.87</u>	<u>\$36,577,614.36</u>	<u>\$36,110,356.93</u>	<u>\$35,662,750.80</u>	<u>\$35,137,121.00</u>	<u>\$35,310,503.00</u>	<u>\$36,272,656.00</u>	<u>\$39,190,200.12</u>
Total Net Debt Applicable to the Limit as a % of Debt Limit	9.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.67%	0.97%	1.24%	1.41%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation (a) Limit set by N.J.S.A. 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

BOROUGH OF MANVILLE SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
UNAUDITED

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (b)</u>	<u>Per Capita Personal Income (c)</u>	<u>Unemployment Rate (d)</u>
2022	10,875	*	*	4.10%
2021	10,812	\$1,232,297,700.00	\$113,975.00	6.50%
2020	10,046	1,133,439,950.00	112,825.00	10.50%
2019	10,154	1,121,671,764.00	110,466.00	4.00%
2018	10,218	1,069,007,160.00	104,620.00	4.00%
2017	10,243	1,016,208,030.00	99,210.00	4.80%
2016	10,289	950,209,728.00	92,352.00	5.00%
2015	10,281	908,830,119.00	88,399.00	5.30%
2014	10,333	861,627,538.00	83,386.00	5.80%
2013	10,392	819,585,864.00	78,867.00	7.10%

Source:

- (a) Population information provided by the NJ Dept. of Labor and Workforce Development.
(b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
(c) Per capita personal income by municipality was computed using Census Bureau midyear population estimates.
Estimates for 2013-2022 reflect county population.
(d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

* not available

BOROUGH OF MANVILLE SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
UNAUDITED

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	121	121	104	104	104	112	100	100	101	101
Special education	8	8	37	37	37	30	29	29	28	28
Other special education	36	34	33	33	33	26	28	28	26	24
Support Services:										
Student & instruction related services	18	18	18	18	18	15	14	14	14	14
General administrative services	10	10	10	10	10	10	10	10	10	10
School administrative services	9	9	8	7	7	7	7	7	7	7
Plant operations and maintenance	18	18	18	18	18	17	17	17	17	17
Central services	6	6	6	6	6	5	5	5	5	5
Administration information technology	2	2	2	2	2	2	2	2	2	2
Special Schools	10	10	10	10	10	10	10	10	10	10
Food Service	10	10	8	8	8	8	8	8	8	8
Total	248	246	254	253	253	242	230	230	228	226

Source: District Personnel Records

BOROUGH OF MANVILLE SCHOOL DISTRICT
OPERATING STATISTICS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	% Change	Teaching Staff (b)	Pupil/Teacher Ratio			Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2023	1,591	\$38,155,455.33	\$23,982.06	3.62%	165	1/12	1/14	1/14	1,602	1,481	3.49%	92.45%
2022	1,550	35,872,208.99	23,143.36	21.61%	163	1/12	1/14	1/14	1,548	1,428	1.91%	92.25%
2021	1,562	29,725,915.15	19,030.68	9.82%	167	1/18	1/19	1/14	1,519	1,509	-5.48%	99.34%
2020	1,607	27,847,168.45	17,328.67	-0.82%	159	1/18	1/19	1/14	1,607	1,607	6.71%	100.00%
2019	1,520	26,558,228.91	17,472.52	4.72%	159	1/18	1/20	1/15	1,506	1,421	3.56%	94.36%
2018	1,490	24,859,914.00	16,684.51	3.53%	147	1/18	1/20	1/15	1,454	1,445	1.32%	99.38%
2017	1,448	23,335,510.00	16,115.68	-1.20%	136	1/20	1/17	1/14	1,435	1,426	0.84%	99.37%
2016	1,423	23,210,763.00	16,311.15	6.58%	136	1/20	1/17	1/14	1,423	1,411	0.71%	99.16%
2015	1,415	21,656,229.00	15,304.76	2.35%	135	1/20	1/17	1/14	1,413	1,368	0.14%	96.82%
2014	1,412	21,114,887.03	14,953.89	-6.87%	135	1/20	1/17	1/14	1,411	1,338	8.21%	94.83%

Sources: District records

Note: Enrollment based on annual October district count.

(a) Operating expenditures equal total expenditures less debt service, capital outlay, unemployment, scholarships and student activities.

(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).

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
UNAUDITED

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<u>District Buildings</u>										
Elementary School(s):										
Weston School	46,400	46,400	46,400	46,400	46,400	46,400	46,400	46,400	46,400	46,400
Square Feet	489	489	489	489	489	489	489	489	489	489
Capacity (students)	381	384	402	416	399	525	519	506	501	503
Enrollment										
Roosevelt School	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Square Feet	300	300	300	300	300	300	300	300	300	300
Capacity (students)	244	230	252	233	239	230	227	230	225	217
Enrollment										
Middle School(s):										
Alexander Batcho Intermediate School	58,515	58,515	58,515	58,515	58,515	58,515	58,515	58,515	58,515	58,515
Square Feet	425	425	425	425	425	425	425	425	425	425
Capacity (students)	484	464	402	491	386	335	314	307	303	302
Enrollment										
High School(s):										
Manville High School	110,500	110,500	110,500	110,500	110,500	110,500	110,500	110,500	110,500	110,500
Square Feet	770	770	770	770	770	770	770	770	770	770
Capacity (students)	482	472	591	449	562	400	383	380	386	390
Enrollment										

Number of Schools at June 30, 2023

Elementary = 2

Middle School = 1

High School = 1

Source: District records

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

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
UNAUDITED

Undistributed expenditures - Required maintenance for school facilities - 11-000-261-XXX						
School Facilities * Project #(s)	Total	Weston	Roosevelt	ABIS	High School	
2023	\$1,246,708.11	\$301,567.44	\$138,128.07	\$259,015.68	\$547,996.92	
2022	661,377.88	124,949.48	65,216.26	151,047.62	320,164.52	
2021	701,433.87	167,977.57	184,764.32	141,881.08	206,810.90	
2020	823,384.98	174,562.00	174,318.36	199,644.00	274,860.62	
2019	1,197,708.17	192,152.35	211,379.40	284,863.05	509,313.37	
2018	802,316.00	138,760.00	131,573.00	176,786.00	355,197.00	
2017	871,484.00	165,582.00	78,434.00	217,871.00	409,597.00	
2016	781,263.00	151,980.00	142,642.00	157,353.00	329,288.00	
2015	805,216.45	152,991.13	72,469.48	201,304.11	378,451.73	
2014	788,552.58	275,993.55	157,710.52	105,247.32	249,601.19	
Total School Facilities	\$8,679,445.04	\$1,846,515.52	\$1,356,635.41	\$1,895,012.86	\$3,581,281.25	

* - 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

BOROUGH OF MANVILLE SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2023
UNAUDITED

	<u>Coverage Amount</u>	<u>Deductible</u>
Multi Peril Policy - Diploma Joint Insurance Fund		
Property Coverage:		
Blanket Real & Personal Property	Replacement Costs	\$5,000.00
Blanket Valuable Papers & Records	within blanket limits	
Newly Acquired Property:		
Property	25,000,000.00 per occurrence	
Flood (Zone A or V)	25,000,000.00 per occurrence	
Flood (All other zones)	10,000,000.00 per occurrence	
Comprehensive General Liability and Automotive Coverage:		
Liability	5,000,000.00 per occurrence	
	5,600,000.00 aggregate per member	
	46,000,000.00 fund aggregate	
Cyber Liability	2,000,000.00 each event	
Workers Compensation Policy:		
Liability	5,000,000.00 per accident	
	5,000,000.00 per employee	
	5,000,000.00 policy limit	
Excessive School Leaders Professional Liability	5,000,000.00 per loss	5,000.00
Crime Coverage:		
Public Official Bond Limit - Board Secretary/Business Administrator	250,000.00	
Employee Dishonesty	500,000.00	

Source: District Records

SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable President and Members
of the Board of Education
Borough of Manville School District
County of Somerset
Manville, New Jersey 08835

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund of the Borough of Manville School District, in the County of Somerset, State of New Jersey (the "District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 4, 2023.

Internal Control Over Financial Reporting

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

SUPLEE, CLOONEY & COMPANY

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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*. However, we noted immaterial instances of noncompliance that we have reported to the Board of Education of the Borough of Manville School District in a separate Auditor's Management Report on Administrative Findings – Financial and Compliance dated December 4, 2023.

Purpose of This Report

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



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 4, 2023



SUPLEE, CLOONEY & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL AND STATE FINANCIAL ASSISTANCE
PROGRAMS 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
Borough of Manville School District
County of Somerset
Manville, New Jersey 08835

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Borough of Manville School District, County of Somerset, State of New Jersey (the "District") compliance with the types of compliance requirements identified as subject to audit in the Federal *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2023. The 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, the 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; 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 State Grant Compliance Supplement*. Our responsibilities under those standards, the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

SUPLEE, CLOONEY & COMPANY

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the 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 the New Jersey OMB State Grant Compliance Supplement will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal or state 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 State Grant Compliance Supplement, we:

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

SUPLEE, CLOONEY & COMPANY

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the New Jersey OMB State Grant Compliance Supplement. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

December 4, 2023

BOROUGH OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
ENDING YEAR ENDED JUNE 30, 2022

FEDERAL AGENCY NUMBER	FEDERAL AGENCY TITLE	FEDERAL PROJECT NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM	GRANT PERIOD TO	BALANCE AT JUNE 30, 2022	ADJUSTMENT	RECEIPTS	BUDGETARY EXPENDITURES	SUBRECIPIENT BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEAR BALANCES	BALANCE AT JUNE 30, 2022	
													UNRECORDED RECEIVABLES	DUE TO GRANTOR
2005NUSMAP	Department of Health and Human Services			\$2,286.06	07/01/2021	06/30/2022	(62,286.06)		\$2,286.06					
2005NUSMAP	Medicaid Assistance Program (SEMI)			6,445.80	07/01/2022	06/30/2023			6,445.80					
2005NUSMAP	Medicaid Assistance Program (SEMI) - FCRA			20,961.26	07/01/2021	06/30/2022	(5,296.06)		20,961.26					
2005NUSMAP	Medicaid Assistance Program (SEMI)				07/01/2021	06/30/2022	(60,143.50)		60,029.36					
	Total General Fund								66,029.36					
231NJ304H1099	U.S. Department of Agriculture			75,692.76	07/01/2022	06/30/2023								
231NJ304H1099	Passive Conservation Incentives			836,600.96	07/01/2021	06/30/2022	(61,453.69)		75,692.76					
231NJ304H1099	National School Lunch Program			501,087.20	07/01/2022	06/30/2023			472,395.74					
231NJ304H1099	COVID Supply Chain Assistant Award			83,475.52	07/01/2022	06/30/2023			83,475.52					
231NJ304H1099	National School Breakfast Program			173,469.81	07/01/2021	06/30/2022	(13,723.14)		13,723.14					
231NJ304H1099	National School Breakfast Program			66,662.84	07/01/2022	06/30/2023			66,662.84					
	Total Child Nutrition Cluster								179,775.86					
202322500941	P-EST Administrative Cost Reimbursement			653.00	07/01/2022	06/30/2023								
	Total Enterprise Fund								79,779.66					
	Special Revenue Fund													
	U.S. Department of Education													
	Passed-Through State Department of Education													
	E.S.E.A.:													
84-010	Title I			329,506.00	07/01/2021	09/30/2022	(62,568.90)		52,566.90					
84-010	Title II			362,198.10	07/01/2022	09/30/2023								
84-385	Title III			41,322.20	07/01/2022	09/30/2023								
	Total E.S.E.A.:								52,566.90					
	Special Education:													
	Special Education I.D.E.A. Cluster:													
84-027A	I.D.E.A. Part B Basic			431,869.00	07/01/2020	09/30/2021	469.66							
84-027A	I.D.E.A. Part B Special			346,048.00	07/01/2021	09/30/2022	(75,010.27)	2,078.83	133,375.00		(466.89)			2,078.83
84-027A	I.D.E.A. Part B State			76,944.00	07/01/2021	09/30/2022	(76,944.00)		222,474.00					
84-173A	I.D.E.A. Part B Preschool			20,590.00	07/01/2021	09/30/2022	(2,308.46)		22,098.00					
84-173A	I.D.E.A. Part B Preschool			16,346.00	07/01/2022	09/30/2023								
	Total Special Education I.D.E.A. Cluster:								469,520.00					21,787.37
84-323	State Personnel Development Grant			6,250.00	10/01/2021	09/30/2022	(700.00)		700.00					
	Coronavirus Response and Relief Supplemental Act (CRRSA):													
84-425D	ESSER II			983,536.00	03/13/2020	09/30/2023	(98,231.25)		282,746.00					
84-425D	ESSER II - Accelerated Learning			63,118.00	03/13/2020	09/30/2023	(6,000.00)		10,000.00					
84-425D	ESSER II - Mental Health			46,000.00	03/13/2020	09/30/2023	(6,090.00)		18,360.00					
84-425U	American Rescue Plan (ARP)			2,110,430.00	03/13/2020	09/30/2024	(37,826.82)		315,226.02					
84-425U	ESSER III - Accelerated Learning			153,130.00	03/13/2020	09/30/2024	(15,469.50)		102,746.88					
84-425U	ESSER III - Mental Health			45,000.00	03/13/2020	09/30/2024	(5,000.00)		20,888.00					
84-425U	ESSER III - Evidence Based			40,000.00	03/13/2020	09/30/2024								
84-425U	ESSER III - Beyond School			40,000.00	03/13/2020	09/30/2024								
	Total COVID Crisis Education Stabilization Fund								619,188.92					
	U.S. Department of Treasury - passed through State Dept of Education													
	Coronavirus Aid Relief Fund:													
	School Re-Opening & Remote Learning			132,870.00	07/16/2020	10/31/2020	724.72							724.72
	Total Special Revenue Fund								1,137,960.02					22,512.99
	Total Federal Financial Assistance								\$1,695,746.08					\$27,612.09

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

BOARD OF MANVILLE SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

STATE GRANT OR PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD FROM TO	CARRYOVER (BALANCE) AMOUNT	RECEIPTS	BUDGETARY EXPENDITURES	ADJUSTMENT	REPAYMENT OF PRIOR YEARS BALANCES	ACCOUNTS RECEIVABLE	UNAPPORTED REVENUE	DUE TO GRANTEE	BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPENDITURES
General Fund													
Education Aid	23-695-034-5120-076	\$14,957,424.00	07/01/2022		\$13,867,294.00	(\$14,957,424.00)	\$1,250,130.00					\$1,250,130.00	\$14,957,424.00
Special Education Categorical Aid	23-695-034-5120-089	1,352,897.00	07/01/2022		1,211,612.00	(1,352,897.00)	135,075.00					135,075.00	1,352,897.00
Security Categorical Aid	23-695-034-5120-094	468,910.00	07/01/2022		15,357,125.00	(15,357,125.00)	1,471,524.00					1,471,524.00	15,357,125.00
Total State Aid Cluster													
Transportation Categorical Aid	23-695-034-5120-014	95,841.00	07/01/2022		95,332.00	(95,841.00)	8,609.00					8,609.00	95,841.00
Extracurricular Aid	23-100-034-5120-473	360,000.00	07/01/2021		360,000.00								360,000.00
Extracurricular Aid	23-100-034-5120-473	296,109.00	07/01/2022			(296,709.00)							296,709.00
On-behalf TPAF pension - post retirement medical	23-695-034-5094-001	1,125,610.00	07/01/2022		1,125,610.00	(1,125,610.00)							1,125,610.00
On-behalf TPAF non contributory insurance	23-695-034-5094-004	56,633.00	07/01/2022		56,633.00	(56,633.00)							56,633.00
On-behalf TPAF pension contribution	23-695-034-5094-004	4,226,181.00	07/01/2022		4,226,181.00	(4,226,181.00)							4,226,181.00
On-behalf TPAF long term disability insurance	23-695-034-5094-002	2,492.00	07/01/2022		2,492.00	(2,492.00)							2,492.00
Reimbursed TPAF Social Security Contributions	23-695-034-5094-003	890,383.88	07/01/2021		45,958.73								890,383.88
Reimbursed TPAF Social Security Contributions	23-695-034-5094-003	890,745.02	07/01/2022		890,745.02								890,745.02
Total State Department of Education					22,143,734.04	(22,525,440.02)	1,481,563.00		(305,701.71)			1,787,264.71	24,624,526.90
Total General Fund					22,143,734.04	(22,525,440.02)	1,481,563.00		(305,701.71)			1,787,264.71	24,624,526.90
Special Revenue Fund:													
State Department of Education:													
Preschool Education Aid	22-695-034-5120-086	1,942,395.00	07/01/2021		378,841.07					\$78,841.07			1,965,565.00
Preschool Education Aid	22-695-034-5120-086	1,630,575.00	07/01/2022		1,270,331.00	(1,270,330.56)	368,244.00			368,244.00			1,270,330.56
Child Nutrition Charter	23-100-034-5120-519	36,175.00	07/01/2021		688.48					1,514.32			36,175.00
Child Nutrition Charter	23-100-034-5120-519	6,800.00	07/01/2022		6,920.00	(6,920.00)							6,800.00
Total Special Revenue Fund					1,276,831.00	(1,277,691.04)	368,244.00			746,599.83			2,469,531.24
Enterprise Fund:													
Child Nutrition Charter:													
School Lunch Program	22-100-010-3050-023	19,509.51	07/01/2021		1,391.36								19,509.51
School Lunch Program	23-100-010-3050-023	1,749.72	07/01/2022		20,000.00	(21,897.72)							1,749.72
School Lunch Program	23-100-010-3050-023	2,534.44	07/01/2022		24,434.44	(2,534.44)							2,534.44
Total Child Nutrition Charter					(1,391.36)	(24,462.16)							43,110.87
Total Enterprise Fund					22,017.62	(21,897.72)							41,378.23
Total State Financial Assistance					23,442,562.06	(24,404,606.78)	\$1,847,807.00		(326,603.37)	\$746,599.83	\$0	\$2,154,750.17	\$27,334,734.37
Less On-behalf amounts not utilized for determination of Major Programs:													
On-behalf TPAF pension contribution	23-695-034-5094-004	1,125,610.00	07/01/2022		(1,125,610.00)								1,125,610.00
On-behalf TPAF non contributory insurance	23-695-034-5094-004	56,633.00	07/01/2022		(56,633.00)								56,633.00
On-behalf TPAF pension contribution	23-695-034-5094-002	4,226,181.00	07/01/2022		(4,226,181.00)								4,226,181.00
On-behalf TPAF long term disability insurance	23-695-034-5094-002	2,492.00	07/01/2022		(2,492.00)								2,492.00
Total State Financial Subject to Single Audit					\$18,029,698.86	(\$19,411,890.28)							\$18,029,698.86

See accompanying notes to schedules of expenditures of federal awards and state financial assistance.

Borough of Manville School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2023

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Board of Education, Borough of Manville School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 of the Board's basic financial statements. The information in this schedule is 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 in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

Borough of Manville School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2023

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$160,566.00) for the general fund and (\$1,537,287.06) for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$60,743.50	\$23,524,840.02	\$23,585,583.52
Special Revenue Fund	3,011,852.85	1,277,499.04	4,289,351.89
Food Service Fund	756,531.32	24,402.16	780,933.48
Total Awards & Financial Assistance	\$3,829,127.67	\$24,826,741.22	\$28,655,868.89
GAAP Adjustment	<u>(1,308,661.43)</u>	<u>(389,191.63)</u>	<u>(1,697,853.06)</u>
Total: GAAP Basis	<u>\$2,520,466.24</u>	<u>\$24,437,549.59</u>	<u>\$26,958,015.83</u>

NOTE 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.

NOTE 5: OTHER

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF pension contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2023. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2023.

Borough of Manville School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued: | Unmodified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) | Noncompliance material to basic financial statements noted? | No |

Federal Program(s)

- | | | |
|-----|---|------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weakness identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance and listed in Section III of this schedule? | No |

- (4) Identification of Major Federal Program(s):

<u>Program</u>	<u>Grant Number</u>
I.D.E.A. Part B Basic	84.027A
I.D.E.A. Part B Preschool	84.173A
CRRSA- ESSER II	84.425D
ARP- ESSER III	84.425U

- | | | |
|-----|---|-----|
| (5) | Program Threshold Determination:
Type A Federal Program Threshold > \$750,000
Type B Federal Program Threshold <= \$750,000 | |
| (6) | Auditee qualified as a low-risk auditee under the Uniform Guidance? | Yes |

Borough of Manville School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section I – Summary of Auditor’s Results (Continued)

State Program(s)

- (1) Internal Control Over Major State Programs:
- (a) Material weakness identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08 and listed in Section III of this schedule? No
- (4) Identification of Major State Program(s):
- | <u>Program</u> | <u>Grant Number</u> |
|-----------------------|---------------------|
| State Aid Cluster: | |
| Equalization Aid | 495-034-5120-078 |
| Special Education Aid | 495-034-5120-089 |
| Security Aid | 495-034-5120-084 |
- (5) Program Threshold Determination:
Type A State Program Threshold > \$750,000
Type B State Program Threshold <= \$750,000
- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

Borough of Manville School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2023

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings

None Reported

Compliance Findings

None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – None Reported

State Programs – None Reported

Borough of Manville School District
Schedule of Prior Year Audit Findings

Not Applicable

