

NATIONAL PARK BOROUGH SCHOOL DISTRICT

National Park, New Jersey
County of Gloucester

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

NATIONAL PARK BOROUGH SCHOOL DISTRICT

NATIONAL PARK, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Prepared by

**National Park Borough School District
Finance Department**

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INTRODUCTORY SECTION

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NATIONAL PARK BOARD OF EDUCATION
516 LAKEHURST AVENUE
NATIONAL PARK, NJ 08063

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FAX 856-848-6710

January 24, 2024

Honorable President and
Members of the Board of Education
National Park School District
County of Gloucester
National Park, New Jersey

Dear Board Members/Citizens:

The Annual Comprehensive Financial Report (ACFR) of the National Park Borough 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 National Park Borough School District. 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, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the district as of June 30, 2023, and the respective changes in financial position, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

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

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

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The National Park Borough School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 6. These include regular and vocational as well as special education for children with special needs. The School District’s enrollment for the past ten fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2022-2023	291	2.83%
2021-2022	283	-5.98%
2020-2021	301	2.38%
2019-2020	294	3.89%
2018-2019	283	1.07%
2017-2018	280	3.32%
2016-2017	271	-5.57%
2015-2016	287	1.41%
2014-2015	283	-2.41%
2013-2014	290	9.02%

ECONOMIC CONDITION AND OUTLOOK

The National Park School District presently maintains a sound financial condition. The State of New Jersey continues to cope with achieving a consistent school aid formula which is equitable for all districts. In recent years the district did receive an increase in state school aid, however it is uncertain whether state school aid will again increase for the 2024-25 school year.

The reliance on property taxes to support the schools in National Park is an annual concern for both the Board of Education and its Administration. The School District strives to maintain programs and technology, provide a safe and secure learning environment and sustain a fiscally responsible fund balance each year. The School District’s system for financial planning, budgeting and capital improvements is well regarded and the Board of Education is committed to continually improving upon its fiscal management processes and to meeting the challenges of the future.

MAJOR INITIATIVES

Teachers continued to increase their understanding of how to use technology as an effective instructional tool that enhances the learning environment and increases critical thinking while simultaneously providing instruction for students. Monthly meetings allowed teachers and administrators to review student progress, set instructional goals, modify curriculum and articulate vertically and horizontally. A social emotional learning program was implemented with a focus on Morning Meetings to help address the impact of COVID-19 on growth and development. PBSIS has been implemented, introducing schoolwide expectations and character traits to provide a more consistent set of behavior standards throughout the school. Students were recognized for following expectations through our PBIS Rewards program. The National Park School staff continued to dedicate themselves to meeting the needs of each student through curriculum development, data analysis, professional development, and integration of technology into the educational program.

A security vestibule was installed at the main entrance of the school building in the summer of 2023 as well as upgrades to the windows, air conditioning and carpeting in the music room.

INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the School District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by Management.

As a recipient of federal awards and state financial assistance, the School District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the School District Management.

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

BUDGETARY CONTROLS

In addition to internal accounting controls, the School 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 voters of the municipality. 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.

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 School District is organized on the basis of funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements,” Note 1.

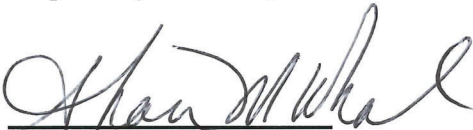
OTHER INFORMATION

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holt McNally & Associates, Inc. was selected by the National Park Board of Education. 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 of 1984, the Single Audit Act Amendments of 1996, and the related Uniform Guidance and New Jersey OMB’s Circular 15-08. The auditor’s report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the National Park 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,

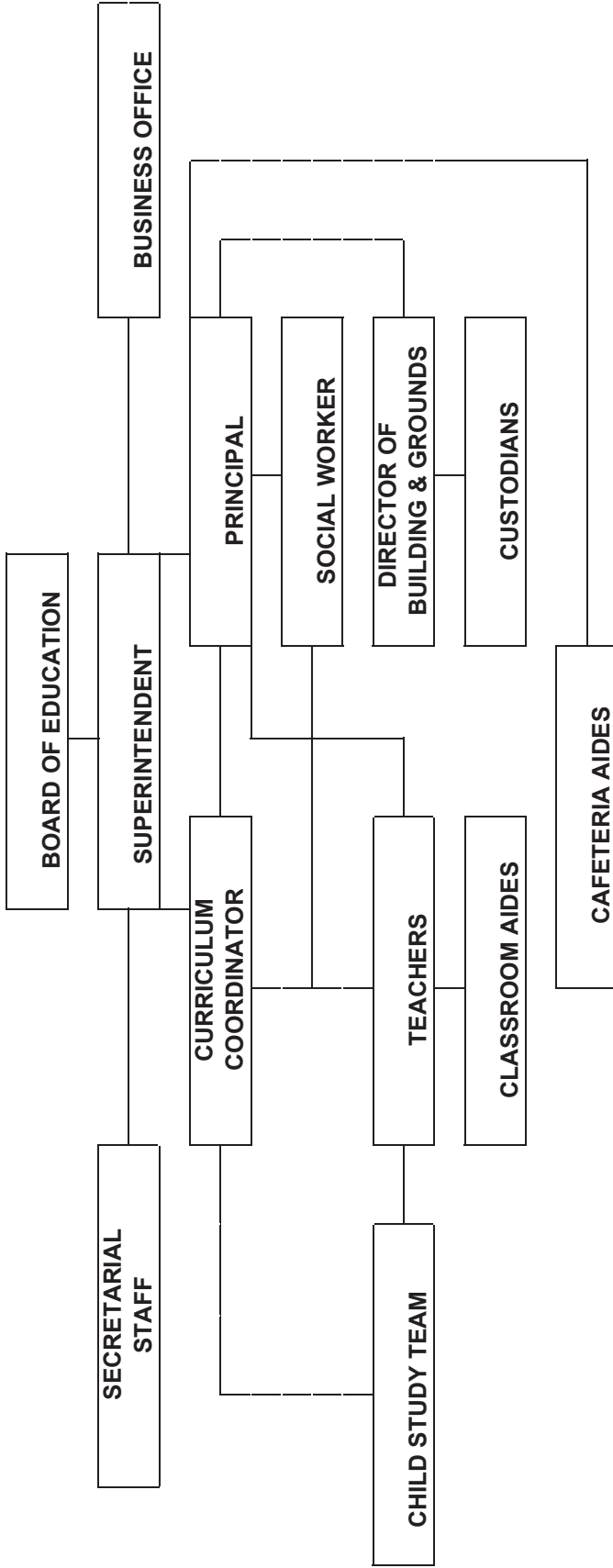


Shannon M. Whalen, Ed. D.
Superintendent



Janice Grassia, CPA
School Business Administrator/
Board Secretary

NATIONAL PARK SCHOOL DISTRICT ORGANIZATIONAL STRUCTURE



NATIONAL PARK BOROUGH SCHOOL DISTRICT
National Park, New Jersey

ROSTER OF OFFICIALS

JUNE 30, 2023

	TERM EXPIRES
MEMBERS OF THE BOARD OF EDUCATION	
Dawn Sholders, President	2023
Kelly Read, Vice President	2024
Rachel Clancy	2024
Amy Farley	2025
Jessica Fleming	2025
Brian Guinup	2023
Matthew Wadsworth	2025
Kevin Reed	2024
Kristen Venable	2023
OTHER OFFICIALS	
Dr. Shannon M. Whalen, Superintendent of Schools	
Allison Thompson, Principal	
Janice Grassia, CPA, Business Administrator/Board Secretary	
Charles Owens, Treasurer	

NATIONAL PARK BOROUGH SCHOOL DISTRICT
516 Lakehurst Avenue
National Park, New Jersey 08093

CONSULTANTS AND ADVISORS

ARCHITECT

Garrison Architects
Bellmawr, New Jersey

AUDIT FIRM

David McNally, CPA, PSA
Holt McNally & Associates, Inc.
618 Stokes Road
Medford, New Jersey 08055

SOLICITOR

Joseph Betley, Esq.
Capehart & Scatchard
Mount Laurel, New Jersey

OFFICIAL DEPOSITORY

Fulton Bank
National Park, NJ

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FINANCIAL SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
National Park Borough School District
County of Gloucester
National Park, New Jersey

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the National Park Borough School District, County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the National Park Borough School District, County of Gloucester, State of New Jersey, as of June 30, 2023, and the respective changes in financial position 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; the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School District, and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any current 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* and in accordance with accounting principles and practices prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatements 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 School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 School District's basic financial statements. The combining and individual fund statements and long-term debt schedules are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also 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, long-term debt schedules and accompanying schedules of expenditures or federal award 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.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2024 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School 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 School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLT MCNALLY & ASSOCIATES, INC.

Certified Public Accountants & Advisors

David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 24, 2024

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The Management Discussion and Analysis (MD&A) of National Park Borough School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended on June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance. Certain comparative information between the current fiscal year (2022-2023) and the prior fiscal year (2021-2022) is required and is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2023 fiscal year are as follows:

- The District deposited a total of \$550,000 into capital reserve. This brings the total balance in the capital reserve to \$860,164 at fiscal year-end.
- The overall General Fund - fund balance (budgetary basis) increased \$589,816 from the prior fiscal year to \$2,852,566 as of June 30, 2023.
- At the conclusion of the fiscal year, the district's Unassigned General Fund balance (budgetary basis) was \$353,521. The State of New Jersey limits the amount of unassigned fund balance to 2% of the adjusted general fund expenditures plus certain allowable adjustments. The amount of unassigned fund balance at the end of the current year is at the maximum allowed.
- The amount of unassigned general fund balance in the School District's general fund on a GAAP basis was \$79,510. The difference between the budgetary basis and the GAAP basis is the final two State aid payments in the amount of \$274,011 which was recognized as revenue on a budgetary basis but not on a GAAP basis.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the National Park Borough School District as a financial whole, an entire operating entity. Required supplementary information and other supplementary information proceed to provide an increasingly detailed look at specific financial activities.

The focus of governmental accounting differs from that of business enterprises. In government, the financial statement user is concerned with determining accountability for funds, evaluating operating results, and assessing of service that can be provided by the governmental along with its ability to meet obligations as they become due. In comparison, the primary emphasis in the private sector from both an operational and reporting perspective is on the maximization of profits.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of National Park Borough School District, the general fund is by far the most significant fund.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Reporting the School District as a Whole

Government-Wide Financial Statements

This document contains the large number of funds used by the School District to provide programs and activities. The view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2023?" The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. These bases of accounting take into account all of the current year's revenues and expenditures, regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and others.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- ◆ Governmental Activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities and pupil transportation.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis in order to recover all the expenses of the goods or services provided. The School District does not have any business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Notes to the 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. The notes to the financial statements can be found after the fund financial statements in this report.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the school district as a whole (governmental and business-type activities). Net position may serve over time as a useful indicator of a government's financial position.

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

Table 1 provides a summary of the School District's net position for fiscal year 2023 compared to fiscal year 2022.

**Table 1
Net Position**

	Governmental Activities	
	2023	2022
ASSETS		
Current Assets	\$ 3,566,987	\$ 2,783,790
Capital Assets, Net	3,205,333	3,170,339
Total Assets	6,772,320	5,954,129
Deferred Outflows Resources	59,163	49,108
Total Assets and Deferred Outflows of Resources	\$ 6,831,483	\$ 6,003,237
LIABILITIES		
Current Liabilities	\$ 951,886	\$ 769,373
Noncurrent Liabilities	859,898	1,160,752
Total Liabilities	1,811,784	1,930,125
Deferred Inflows of Resources	369,509	362,676
Total Liabilities and Deferred Inflows of Resources	2,181,293	2,292,801
NET POSITION		
Net Investment in Capital Assets	2,795,333	2,565,339
Restricted	2,492,235	2,080,473
Unrestricted (Deficit)	(637,378)	(935,376)
Total Net Position	\$ 4,650,190	\$ 3,710,436

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The School District as a Whole (continued):

The School District's combined net position was \$4,650,190 on June 30, 2023. This was an increase of \$939,754 or 25.33% from the prior year. For the Governmental activities, the largest component of net position is Investment in Capital Assets.

Table 2 provides a summary of the School District's changes in net position for fiscal year 2023 compared to fiscal year 2022.

**Table 2
Changes in Net Position**

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 35,038	\$ 22,711
Operating Grants & Contributions	1,895,280	1,770,057
General Revenues		
Property Taxes	2,334,101	2,295,123
Grants & Entitlements	4,038,252	3,724,291
Miscellaneous	49,793	39,432
Total Revenues	8,352,464	7,851,614
Function/Program Expenditures:		
Instruction	2,764,874	2,637,862
Tuition, Student & Instructional Related	1,309,452	980,095
General Administration	171,044	179,363
School Administration	155,277	196,328
Plant Operations & maintenance	336,259	281,982
Pupil Transportation	204,681	152,592
Employee Benefits	2,275,471	2,531,472
Interest and Other Charges	20,950	28,750
Depreciation & Amortization	174,702	163,217
Total Expenses	7,412,710	7,151,661
Changes in Net Position	939,754	699,953
Net Position - July 1	3,710,436	3,010,483
Net Postion - June 30	\$ 4,650,190	\$ 3,710,436

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Governmental Activities

During the fiscal year 2023, the net position of governmental activities increased by \$939,754 or 25.33%. The primary reasons for the increase are:

- Increased grant funding from legislature passed to combat the effects of COVID-19
- Increased equalization aid received in the current year according to the State’s grant formula

The assets and deferred outflows of the primary government activities exceeded liabilities and deferred inflows by \$4,650,190, with an unrestricted deficit balance of \$(637,378). The deficit in unrestricted net position is primarily due to accounting treatment for compensated absences payable, GASB 68 net pension liability, and the last 2 state aid payments. In addition, state statutes prohibit school districts from maintaining more than 2% of its adopted budget as unassigned fund balance.

The School District’s governmental activities unrestricted net position had GASB 68 pension not been implemented would have been as follows:

GASB 68 Effect on Unrestricted Net Position

Unrestricted Net Position (With GASB 68)	\$	(637,378)
Add back: PERS Pension Liability		385,707
Less: Deferred Outflows related to pensions		(59,163)
Add back: Deferred Inflows related to pensions		369,509
Unrestricted Net Position (Without GASB 68)	\$	58,675

Governmental Funds - General Fund Budgeting Highlights

Final budgeted revenues were \$5,103,424, which equaled the original budget. Excluding non-budgeted revenues, the School District’s actual revenues exceeded estimated revenues by \$132,005.

Final budgeted appropriations were \$5,872,976 which was higher by \$835 from the original budget of \$5,872,141. This increase is due to prior year reserve for encumbrances of \$835, which increase budget appropriations in the subsequent fiscal year’s budget. Excluding nonbudgeted revenues, the School District’s budget appropriations exceeded actual expenditures by \$1,227,363.

As previously mentioned, the School District’s general fund budgetary basis fund balance (Exhibit C-1) was \$2,852,566 as of June 30, 2023, an increase of \$589,816 from the prior year.

Governmental Funds

General Fund

At the end of the current fiscal year, the School District’s general fund reported an ending fund balance of \$2,578,555, an increase of \$577,814 from the prior year (see exhibit B-2).

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Governmental Funds (continued):

As of June 30, 2023, the District has an unassigned fund balance of \$79,510. The School District designated \$772,982 in excess surplus for the subsequent years' expenditures, which is restricted for the subsequent years' budget. Current year excess surplus was \$633,292. Additionally, the District maintains a capital reserve restricted fund balance in the amount of \$860,164 for future capital improvements and maintenance reserve of \$155,013, also there is \$26,714 restricted for unemployment. \$50,880 is recorded in encumbrances and assigned to other purposes.

Special Revenue Fund

The Special Revenue Fund saw an increase in expenditures and resulting revenues in the current year of \$459,182. This increase is primarily due to the funding of COVID-19 federal awards.

Capital Projects Fund

At the end of the current fiscal year, the School District's capital projects fund reported an ending fund balance of \$30,032, a decrease of \$74,968 from the prior year. This represents the spending of projects in the current year.

Capital Assets

The School District's capital assets for its governmental and business-type activities as of June 30, 2023, totaled \$3,205,333 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements and equipment. Overall, the capital assets increased by \$34,994 from fiscal year 2022 to fiscal year 2023. The primary reason for the increase is due to additions being greater than depreciation in the current year. Table 4 shows combining 2023 balances compared to 2022.

**Table 4
Summary of Capital Assets**

	2023	2022
Governmental Activities:		
Land Improvements	\$ 169,493	\$ 169,493
Building & Improvements	6,209,130	6,134,162
Equipment	495,047	373,509
Less: Accumulated Depreciation:	(3,668,337)	(3,506,825)
	\$ 3,205,333	\$ 3,170,339
Depreciation Expense	\$ 161,512	\$ 163,217

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 7) of this report.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

For the Future

This administration and Board of Education fully understands the dynamics of strategic thinking and have established a collaborative decision-making process that incorporates a deliberate approach to strategic planning initiatives. Resources are evaluated, needs assessed, and progress measured. Key decisions are examined in scenario-based discussions and final goals are established after consideration from all stakeholders.

The School District is proud of its community support of the public schools. A major concern is the sustained enrollment of the School District with the increased reliance on local property taxes. However, future finances are not without challenges as the community continues to grow and State funding is uncertain.

In conclusion, the National Park Borough School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the National Park Borough School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary, Janice Grassia, Gateway Business Services, 775 Tanyard Road, Woodbury Heights, NJ 08097.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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NATIONAL PARK BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS	GOVERNMENTAL ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 1,398,243	\$ 1,398,243
Receivables, Net (Note 4)	1,004,470	1,004,470
Restricted Cash & Cash Equivalents	1,056,741	1,056,741
Right to Use Assets, Net (Note 5)	31,896	31,896
Intangible Assets, Net (Note 6)	75,637	75,637
Capital Assets, Net (Note 7)	3,205,333	3,205,333
	<hr/>	<hr/>
Total Assets	6,772,320	6,772,320
	<hr/>	<hr/>
DEFERED OUTFLOW OF RESOURCES		
Deferred Outflows Related to Pensions (Note 10)	59,163	59,163
	<hr/>	<hr/>
Total Deferred Outflow of Resources	59,163	59,163
	<hr/>	<hr/>
Total Assets and Deferred Outflow of Resources	6,831,483	6,831,483
	<hr/>	<hr/>
LIABILITIES		
Due to Other Governments	36,087	36,087
Accounts Payable	172,380	172,380
Accrued Interest Payable	6,833	6,833
Unearned Revenue	708,269	708,269
Payroll Deductions and Withholdings Payable	28,317	28,317
Noncurrent Liabilities (Note 9):		
Due Within One Year	209,216	209,216
Due Beyond One Year	650,682	650,682
	<hr/>	<hr/>
Total Liabilities	1,811,784	1,811,784
	<hr/>	<hr/>
DEFERED INFLOW OF RESOURCES		
Deferred Inflows Related to Pensions (Note 10)	369,509	369,509
	<hr/>	<hr/>
Total Deferred Inflows of Resources	369,509	369,509
	<hr/>	<hr/>
Total Liabilities and Deferred Inflows of Resources	2,181,293	2,181,293
	<hr/>	<hr/>
NET POSITION		
Net Investment in Capital Assets	2,795,333	2,795,333
Restricted For:		
Capital Projects	889,384	889,384
Maintenance Reserve	155,013	155,013
Excess Surplus	1,406,274	1,406,274
Unemployment Compensation	26,714	26,714
Student Activities	14,599	14,599
Scholarships	251	251
Unrestricted	(637,378)	(637,378)
	<hr/>	<hr/>
Total Net Position	\$ 4,650,190	\$ 4,650,190
	<hr/>	<hr/>

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS	TOTALS
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Governmental Activities:					
Instruction:					
Regular Instruction	\$ 1,300,735	\$ -	\$ -	(1,300,735)	\$ (1,300,735)
Special Education Instruction	1,449,078	-	640,158	(808,920)	(808,920)
Other Instruction	15,061	-	-	(15,061)	(15,061)
Support Services & Undistributed Costs:					
Student & Instruction Related Services	1,309,452	35,038	354,524	(919,890)	(919,890)
General Administrative Services	171,044	-	-	(171,044)	(171,044)
School Administrative Services	155,277	-	-	(155,277)	(155,277)
Plant Operations & Maintenance	336,259	-	149,981	(186,278)	(186,278)
Pupil Transportation	204,681	-	-	(204,681)	(204,681)
Unallocated Benefits	2,275,471	-	750,617	(1,524,854)	(1,524,854)
Interest and Other Changes on Long-Term Debt	20,950	-	-	(20,950)	(20,950)
Unallocated Depreciation	161,512	-	-	(161,512)	(161,512)
Unallocated Amortization	13,190	-	-	(13,190)	(13,190)
Total Governmental Activities	\$ 7,412,710	\$ 35,038	\$ 1,895,280	\$ (5,482,392)	\$ (5,482,392)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes				2,211,092	2,211,092
Property Taxes Levied for Debt Service				123,009	123,009
Federal & State Aid Not Restricted				4,038,252	4,038,252
Tuition - From Other LEAS				24,000	24,000
Miscellaneous Income				25,793	25,793
Total General Revenues & Transfers				6,422,146	6,422,146
Change In Net Position				939,754	939,754
Net Position - Beginning				3,710,436	3,710,436
Net Position - Ending				\$ 4,650,190	\$ 4,650,190

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

B. Fund Financial Statements

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Governmental Funds

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTALS
Assets:				
Cash & Cash Equivalents	\$ 1,470,276	\$ 429,825	\$ -	\$ 1,900,101
Receivables From Other Governments	121,476	282,985	599,550	1,004,011
Other Accounts Receivable	459	-	-	459
Restricted Cash & Cash Equivalents	1,041,891	14,850	-	1,056,741
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 2,634,102	\$ 727,660	\$ 599,550	\$ 3,961,312
Liabilities & Fund Balances:				
Liabilities:				
Cash Deficit	\$ -	\$ -	\$ 501,858	\$ 501,858
Accounts Payable	27,230	77,490	67,660	172,380
Unearned Revenue	-	708,269	-	708,269
Payroll Deductions and Withholdings Payable	28,317	-	-	28,317
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	55,547	785,759	569,518	1,410,824
Fund Balances:				
Restricted for:				
Capital Reserve Account	860,164	-	-	860,164
Maintenance Reserve Account	155,013	-	-	155,013
Excess Surplus	633,292	-	-	633,292
Excess Surplus Designated for Subsequent Year's Expenditures	772,982	-	-	772,982
Capital Projects Fund	-	-	29,220	29,220
Unemployment Compensation	26,714	-	-	26,714
Student Activity	-	14,599	-	14,599
Scholarships	-	251	-	251
Assigned to:				
Other Purposes	50,880	-	812	51,692
Unassigned	79,510	(72,949)	-	6,561
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	2,578,555	(58,099)	30,032	2,550,488
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities & Fund Balances	\$ 2,634,102	\$ 727,660	\$ 599,550	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$6,873,670 and the accumulated depreciation is \$3,668,337 (See Note 7).	3,205,333
Right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$38,483 and the accumulated amortization is \$6,587 (See Note 5).	31,896
Intangible assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$88,827 and the accumulated amortization is \$13,190 (See Note 6).	75,637
Accrued interest payable is not recorded in the fund financials due to the fact that payables are not due in the current period.	(6,833)
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred Outflows Related to Pensions	59,163
Deferred Inflows Related to Pension	(369,509)
Accrued pension contributions for the June 30, 2023 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.	(36,087)
Long-term liabilities, including net pension liability and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (Note 9)	(859,898)
Net Position of Governmental Activities	<u>\$ 4,650,190</u>

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Sources:					
Local Tax Levy	\$ 2,211,092	\$ -	\$ -	\$ 123,009	\$ 2,334,101
Tuition From Other LEAs Within the State	24,000	-	-	-	24,000
Other Restricted Miscellaneous Revenue	1,706	-	-	-	1,706
Miscellaneous	24,087	35,618	-	-	59,705
Total Revenues - Local Sources	2,260,885	35,618	-	123,009	2,419,512
State Sources	4,121,311	674,194	-	96,191	4,891,696
Federal Sources	-	570,267	-	-	570,267
Total Revenues	6,382,196	1,280,079	-	219,200	7,881,475
Expenditures:					
Current Expense:					
Regular Instruction	1,389,562	-	-	-	1,389,562
Special Education Instruction	718,778	730,300	-	-	1,449,078
Other Instruction	15,061	-	-	-	15,061
Support Services & Undistributed Costs:					
Student & Instruction Related Services	919,890	389,562	-	-	1,309,452
General Administrative & Central Services	171,044	-	-	-	171,044
School Administrative Services	155,277	-	-	-	155,277
Plant Operations & Maintenance	307,816	-	-	-	307,816
Pupil Transportation	204,681	-	-	-	204,681
Personal Services - Employee Benefits	1,841,219	100,378	-	-	1,941,597
Capital Outlay	38,483	149,981	74,968	-	263,432
Debt Service:					
Principal	-	-	-	195,000	195,000
Interest & Other Charges	-	-	-	24,200	24,200
Total Expenditures	5,761,811	1,370,221	74,968	219,200	7,426,200
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	620,385	(90,142)	(74,968)	-	455,275
Other Financing Sources/(Uses):					
Transfers In	-	81,054	-	-	81,054
Transfers Out	(81,054)	-	-	-	(81,054)
Leases (non-budgeted)	38,483	-	-	-	38,483
Total Other Financing Sources/(Uses)	(42,571)	81,054	-	-	38,483
Net Changes in Fund Balance	577,814	(9,088)	(74,968)	-	493,758
Fund Balances, July 1	2,000,741	(49,011)	105,000	-	2,056,730
Fund Balances, June 30	\$ 2,578,555	\$ (58,099)	\$ 30,032	\$ -	\$ 2,550,488

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 493,758

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

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

Capital Outlays	\$ 196,506	
Depreciations Expense	<u>(161,512)</u>	34,994

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

Amortization Expense	(6,587)	
Additions	<u>38,483</u>	31,896

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

Amortization Expense	(13,190)	
Additions	<u>88,827</u>	75,637

Proceeds from lease payable 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. (38,483)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 201,587

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. 143,036

Net Difference Accrued interest on bonds is not recorded in the fund financial statements 3,250

Decrease in accrual for compensated absences (5,921)

Change in Net Position of Governmental Activities \$ 939,754

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Proprietary Funds
Not applicable

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NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023**

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the National Park Borough School District (the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The National Park Borough School District (hereafter referred to as the “School District”) is a Type II School District located in the County of Gloucester, State of New Jersey. As a Type II School District, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The purpose of the School District is to educate students in grades kindergarten through six.

The primary criterion for including activities within the School District’s reporting entity, as set forth in Section 2100 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

- ◆ the organization is legally separate (can sue or be sued in their own name);
- ◆ the School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization’s board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the Financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34, GASB Statement No. 80, Blending Requirements for Certain Component Units – an Amendment of GASB Statement No. 14 and GASB Statement No. 90 Majority Equity Interests – an Amendment of GASB Statements No. 14 & No. 61. The School District had no component units as of for the year ended June 30, 2023.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that

NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The District reports the following major governmental funds:

General Fund - The general fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay sub-fund.

As required by the New Jersey 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, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

During the course of operations, the School District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue

NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)

Note 1. Summary of Significant Accounting Policies (continued):

fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

The budget, as detailed on Exhibit C-1 and Exhibit C-2 includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

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

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

Cash and Cash Equivalents

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

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.18A:20-37* provides a list of permissible investments that may be purchased by New Jersey school districts.

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2023 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets of the School District are depreciated or amortized using the straight-line method over the following estimated lives:

Equipment & Vehicles	3 – 20 Years
Buildings	30 – 50 Years
Improvements	10 – 50 Years
Software	5 – 7 Years

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, government 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, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Reimbursements from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the School District classifies governmental fund balances as follows:

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2023.
- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District's policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District's policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

Net position represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified in the following three components:

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2023:

Statement No. 96, *Subscription-Based Information Technology Arrangements*. Statement No. 96 establishes a single approach to accounting and financial reporting for subscription-based information technology arrangements for government end users. Statement No. 96 is effective for reporting periods beginning after June 15, 2022. The District has implemented this standard as of June 30, 2023.

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future years as shown below:

Statement No. 101, *Compensated Absences*. Statement No. 101 aligns the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Management has not yet determined the potential impact on the District's financial statements.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 1. Summary of Significant Accounting Policies (continued):

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Deferred Outflows and Deferred Inflows of Resources

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

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2023, the School District’s bank balance of \$2,653,049 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$	2,565,376
Uninsured and Uncollateralized		87,673
		\$ 2,653,049

Investments

The School District had no investments as of June 30, 2023.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by inclusion of \$63,663 in the original 2000-2001 annual capital outlay budget 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 School District’s approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a School 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 School 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 *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 3. Reserve Accounts (continued):

Beginning Balance, July 1, 2022	\$	310,164
Increased by:		
Deposits approved by Board		550,000
Ending Balance, June 30, 2023	\$	860,164

Maintenance Reserve

The School District established a maintenance reserve account for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years. Funds placed in the maintenance reserve account are restricted to maintenance projects in the School District’s approved Maintenance Plan (M-1). A School District may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The balance in the account cannot at any time exceed four percent of the replacement cost of the school district’s facilities for the current year.

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

Beginning Balance, July 1, 2022	\$	80,013
Increased by:		
Deposits approved by Board		75,000
Ending Balance, June 30, 2023	\$	155,013

Note 4. Accounts Receivable

Accounts receivable as of June 30, 2023, consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District’s governmental activities as of June 30, 2023, consisted of the following:

<u>Description</u>	Governmental Funds			Total Governmental Activities
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	
Federal Awards	\$ -	\$ 282,985	\$ -	\$ 282,985
State Awards	121,476	-	599,550	721,026
Other	459	-	-	459
Total	\$ 121,935	\$ 282,985	\$ 599,550	\$ 1,004,470

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 5. Right to Use Assets

The School District has recorded right to use lease assets during the current fiscal year. The assets are right to use assets for leased copier machines. The right to use lease asset is amortized over the terms of the related lease. The related lease is discussed in the Leases subsection of Note 9, Long-Term Obligations.

Right to use asset activity for the School District for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:				
Right to Use Assets:				
Leased copier machines	\$ -	\$ 38,483	\$ -	\$ 38,483
Total Right to Use Assets	-	38,483	-	38,483
Less: Accumulated Amortization:				
Leased copier machines	-	(6,587)	-	(6,587)
Total Accumulated Amortization	-	(6,587)	-	(6,587)
Right to Use Assets, Net	\$ -	\$ 31,896	\$ -	\$ 31,896

Note 6. Intangible Assets

The School District has recorded intangible assets due to implementation of GASB 96. The assets are subscription-based information technology arrangements for various software throughout the District. The intangible asset is amortized on a straight-line basis over the terms of the related subscription arrangement.

Intangible asset activity for the School District for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>June 30, 2022</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:				
Intangible Assets:				
SBITA's - Curriculum Software	\$ -	\$ 88,827	\$ -	\$ 88,827
Total Intangible Assets	-	88,827	-	88,827
Less: Accumulated Amortization:				
SBITA's - Curriculum Software	-	(13,190)	-	(13,190)
Total Accumulated Amortization	-	(13,190)	-	(13,190)
Intangible Assets, Net	\$ -	\$ 75,637	\$ -	\$ 75,637

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 7. Capital Assets

Capital assets activity for the year ended June 30, 2023 was as follows:

	Balance July 1, <u>2022</u>	<u>Additions</u>	<u>Retirements and Transfers</u>	Balance June 30, <u>2023</u>
Governmental Activities:				
Capital Assets being depreciated:				
Sites & Site Improvements	\$ 169,493	\$ -	\$ -	\$ 169,493
Buildings and Improvements	6,134,162	74,968	-	6,209,130
Equipment	373,509	121,538	-	495,047
Total Capital Assets being depreciated	<u>6,677,164</u>	<u>196,506</u>	<u>-</u>	<u>6,873,670</u>
Less: Accumulated Depreciation:				
Sites & Site Improvements	(119,981)	(3,717)	-	(123,698)
Buildings and Improvements	(3,068,871)	(141,839)	-	(3,210,710)
Equipment	(317,973)	(15,956)	-	(333,929)
Total Accumulated Depreciation	<u>(3,506,825)</u>	<u>(161,512)</u>	<u>-</u>	<u>(3,668,337)</u>
Total Capital Assets being depreciated, net	<u>3,170,339</u>	<u>34,994</u>	<u>-</u>	<u>3,205,333</u>
Total Governmental Activities Capital Assets, net	<u>\$ 3,170,339</u>	<u>\$ 34,994</u>	<u>\$ -</u>	<u>\$ 3,205,333</u>

Depreciation expense was charged as unallocated expense since it could not be specifically identified to one program/function of the School District.

Note 8. Interfund Receivables, Payables and Transfers

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 81,054
Special Revenue Fund	<u>81,054</u>	<u>-</u>
	<u>\$ 81,054</u>	<u>\$ 81,054</u>

The purpose of the interfund transfer from the general fund to the capital projects fund was to fund capital projects with local capital reserve. The purpose of the interfund transfer from the general fund to the special revenue fund was to provide for the local funding of the preschool program.

Note 9. Long-Term Obligations

During the fiscal year-ended June 30, 2023 the following changes occurred in long-term obligations for the governmental and business-type activities:

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Long-Term Obligations (continued):

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Balance</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 605,000	\$ -	\$ 195,000	\$ 410,000	\$ 200,000
Leases Payable	-	38,483	6,587	31,896	9,216
Compensated Absences	26,374	8,074	2,153	32,295	-
Net Pension Liability	529,378	-	143,671	385,707	-
	<u>\$ 1,160,752</u>	<u>\$ 46,557</u>	<u>\$ 347,411</u>	<u>\$ 859,898</u>	<u>\$ 209,216</u>

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences and net pension liability are liquidated by the general fund.

Bonds Authorized but not Issued

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

Bonds Payable

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

On December 10, 2009, the School District issued \$2,950,000 General Obligation Refunding Bonds payable in annual installments through February 1, 2025. Interest is paid semi-annually at the rate of 4% to 4.5% per annum. The balance remaining at June 30, 2023, was \$410,000.

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 200,000	\$ 16,400	\$ 216,400
2025	210,000	8,400	218,400
	<u>\$ 410,000</u>	<u>\$ 24,800</u>	<u>\$ 434,800</u>

Leases

On July 29, 2022, the District entered into an agreement as the Lessee for the use of copier machines. An initial lease liability was recorded in the amount of \$38,483. As of June 30, 2023, the value of the lease liability is \$31,896. The District is required to make monthly fixed payments in the amount of \$895. The interest rate associated with this lease is 5.5%.

The principal and interest requirements to maturity are as follows:

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 9. Long-Term Obligations (continued):

Fiscal Year <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 9,216	\$ 1,524	\$ 10,740
2025	9,735	1,005	10,740
2026	10,284	456	10,740
2027	2,661	24	2,685
	\$ 31,896	\$ 3,009	\$ 34,905

Note 10. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for the noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2023, the School District reported a liability of \$385,707 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2021, to the measurement date of June 30, 2022. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2022. The School District's proportion measured as of June 30, 2022, was 0.00256%, which was a decrease of 0.00191% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the School District recognized full accrual pension expense/(benefit) of \$(110,806) in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2022 measurement date. At June 30, 2023 the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 2,784	\$ 2,455
Changes of Assumptions	1,195	57,756
Net Difference between Projected and Actual Earnings on Pension Plan Investments	15,964	-
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	3,133	309,298
School District Contributions Subsequent to Measurement Date	36,087	-
	\$ 59,163	\$ 369,509

\$36,087 reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is based on the amount payable to the State due April 1, 2024 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending Dec 31,	Amount
2023	\$ (284,644)
2024	(145,017)
2025	(70,722)
2026	154,288
2027	(338)
	\$ (346,433)

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

	Deferred Outflow of <u>Resources</u>	Deferred Inflow of <u>Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	-
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	-	5.16
June 30, 2021	5.13	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2017	-	5.48
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022		5.04
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2017	5.00	-
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	-	5.00
June 30, 2021	5.00	-
June 30, 2022	5.00	
Changes in Proportion and Differences between Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2017	5.48	5.48
June 30, 2018	5.63	5.63
June 30, 2019	5.21	5.21
June 30, 2020	5.16	5.16
June 30, 2021	5.13	5.13
June 30, 2022	5.04	5.04

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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

Inflation	
Price	2.75%
Wage	3.25%
Salary Increases:	
Through 2027	2.85 - 6.55% Based on Years of Service
Thereafter	2.75 - 6.55% Based on Years of Service
Investment Rate of Return	7.00%
Mortality Rate Table	
PERS	Pub-2010 General Classification Headcount weighted mortality with fully generational mortality improvement projections from the central year using Scale MP-2021
Period of Actuarial Experience	
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021

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

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions 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 projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2022, calculated using the discount rate of 7.00% as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	\$ 500,166	\$ 385,707	\$ 294,991

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 1,660,772,008	\$ 1,164,738,169
Collective Deferred Inflows of Resources	3,236,303,935	8,339,123,762
Collective Net Pension Liability	15,219,184,920	11,972,782,878
District's portion of the Plan's total Net Pension Liability	0.00256%	0.00447%

Special Funding Situation – Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, are Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under the legislation is considered to be 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 under the legislation 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 related to the legislation. 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 collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employers as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The State's proportionate share of the PERS net pension liability associated with the special funding situation is \$-0- as of June 30, 2023. The State's proportionate share of the contribution associated with the special funding situation was \$812 as of June 30, 2023. These are based on measurements as of June 30, 2022.

B. Teachers' Pension and Annuity Fund (TPAF)

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

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

The following represents the membership tiers for TPAF:

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

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

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

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2023 was \$9,470,228. The School District's proportionate share was \$-0-.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State's proportionate share of the net pension liability associated with the School District was based on projection of the State's long-term contributions to the pension plan associated with the School District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.01836%, which was a decrease of 0.00071% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the School District recognized \$254,870 in on-behalf pension expense and revenue in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2022 measurement date.

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

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 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.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% 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, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	27.00%	8.12%
Non-U.S. Developed Markets Equity	13.50%	8.37%
Emerging Markets Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Estate	8.00%	11.19%
Real Assets	3.00%	7.60%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%
	<u>100.00%</u>	

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

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. The following represents the State's proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 7.00% as well as what the State's proportionate share of the net pension liability, attributable to the School District's would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	11,104,044	9,470,228	8,093,944
	<u>\$ 11,104,044</u>	<u>\$ 9,470,228</u>	<u>\$ 8,093,944</u>

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

Additional Information – The following is a summary of the collective balances of the local group at June 30, 2023 and 2022:

Balances at June 30, 2023 and June 30, 2022

	<u>6/30/2023</u>	<u>6/30/2022</u>
Actuarial valuation date (including roll forward)	June 30, 2022	June 30, 2021
Collective Deferred Outflows of Resources	\$ 5,004,259,312	\$ 6,373,530,834
Collective Deferred Inflows of Resources	19,682,774,794	27,363,797,906
Collective Net Pension Liability	51,676,587,303	48,165,991,182
District's portion of the Plan's total Net Pension Liability	0.01836%	0.01907%

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 10. Pension Plans (continued):

C. Defined Contribution Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2020 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per
- week for State employees, or 32 hours per week for local government or local education employees

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2023, employee contributions totaled \$21,866 and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$11,927.

Note 11. Other Post-Retirement Benefits

General Information about the OPEB Plan

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued):

General Information about the OPEB Plan (continued):

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

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

Basis of Presentation

The Schedule presents the State of New Jersey's obligation under NJSA 52:14-17.32f. The Schedule does not purport to be a complete presentation of the financial position or changes in financial position of the State Health Benefit Local Education Retired Employees Plan or the State of New Jersey. The accompanying Schedule was prepared in accordance with U.S. generally accepted accounting principles.

Such preparation requires management of the State of New Jersey to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability as of June 30, 2022, was determined by an actuarial valuation as of June 30, 2021, which was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Total Nonemployer OPEB Liability: \$ 50,646,462,966

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued):

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 disabilities. 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 TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2021.

OPEB Obligation and OPEB Expense - The State’s proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2022 was \$11,178,505. The School District’s proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2022, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. The State’s proportionate share of the OPEB Obligation associated with the District was based on projection of the State’s long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2022, the State proportionate share of the OPEB Obligation attributable to the School District was 0.02207%, which was an increase of 0.00027% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the State of New Jersey recognized an OPEB expense in the amount of \$216,119 for the State’s proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2022 measurement date.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.50% long-term trend rate after eight years. For post-65 medical benefits PPO, the trend is initially -1.99% in fiscal year 2023, increased to 13.44% in fiscal year 2026 and decreased to 4.50% in fiscal year 2033. For HMO the trend is initially -3.54% in fiscal year 2023, increased 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 decreased 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 for June 30, 2022 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.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued):

Sensitivity of Total Nonemployer OPEB Liability to changes in discount rate

The following presents the total nonemployer OPEB liability as of June 30, 2022, calculated using the discount rate as disclosed above as well as what the total nonemployer 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		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 13,139,157	\$ 11,178,505	\$ 9,607,141
State of New Jersey's Total Non- employer Liability	\$ 59,529,589,697	\$ 50,646,462,966	\$ 43,527,080,995

Sensitivity of Total Nonemployer OPEB Liability to changes in the healthcare trend rate

The following presents the total nonemployer OPEB liability as of June 30, 2022, calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer 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		
	1% Decrease	Healthcare Cost Trend Rate *	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 9,239,718	\$ 11,178,505	\$ 13,725,220
State of New Jersey's Total Nonemployer OPEB Liability	\$ 41,862,397,291	\$ 50,646,462,966	\$ 62,184,866,635

* See Healthcare Cost Trend Assumptions for details of rates.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued):

Additional Information

Collective balances of the Local Group at June 30, 2022 are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ -	\$ -
Differences between Expected & Actual Experience	9,042,402,619	(15,462,950,679)
Change in Assumptions	8,765,620,577	(17,237,289,230)
Contributions Made in Fiscal Year Year Ending 2023 After June 30, 2022 Measurement Date **	TBD	-
	\$ 17,808,023,196	\$ (32,700,239,909)

** Employer Contributions made after June 30, 2022 are reported as a deferred outflow of resources, but are not amortized in expense.

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

Fiscal Year Ending June 30,		
2023	\$	(2,517,151,602)
2024		(2,517,151,602)
2025		(2,517,151,602)
2026		(2,175,449,761)
2027		(1,243,951,140)
Thereafter		(3,921,361,006)
	\$	(14,892,216,713)

Plan Membership

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

	June 30, 2021
Active Plan Members	213,148
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	151,669
	364,817

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 11. Other Post-Retirement Benefits (continued):

Changes in the Total OPEB Liability

The change in the State's Total OPEB liability for the fiscal year ended June 30, 2023 (measurement date June 30, 2022) is as follows:

Total OPEB Liability

Service Cost	\$ 2,770,618,025
Interest Cost	1,342,187,139
Difference Between Expected & Actual Experience	1,399,200,736
Change in Benefit Terms	-
Changes of Assumptions	(13,586,368,097)
Contributions: Member	42,650,252
Gross Benefit Payments	<u>(1,329,476,059)</u>
Net Change in Total OPEB Liability	(9,361,188,004)
Total OPEB Liability (Beginning)	<u>60,007,650,970</u>
Total OPEB Liability (Ending)	<u>\$ 50,646,462,966</u>
Total Covered Employee Payroll	\$ 14,753,355,408
Net OPEB Liability as a Percentage of Payroll	343%

Note 12. Risk Management

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

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

New Jersey Unemployment Compensation Insurance – The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the School 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 School District is billed quarterly for amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Employee Contributions</u>	<u>Interest Earnings</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2022-2023	9,011	-	7,305	26,714
2021-2022	8,195	-	-	25,008
2020-2021	5,269	4	2,776	16,813

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 13. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs, post-retirement medical costs and non-contributory insurance costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2023, the on-behalf payments for normal costs, post-retirement medical costs, non-contributory insurance costs and reimbursed social security were \$775,735, \$203,784, \$464 and \$178,786, respectively.

Note 14. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – It is the opinion of the administration and legal counsel, that there exists no litigation or contingent liability that may be pending against the National Park Borough School District that would have a material or adverse effect on the Board or the financial position of the School District.

Economic Dependency – The School District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could have an effect on the School District's programs and activities.

Note 15. Deferred Compensation

The School District offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

Lincoln Investment Planning Prudential

Note 16. Compensated Absences

The School 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.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 16. Compensated Absences (continued):

School District employees are granted varying amount of vacation and sick leave in accordance with the School District's personnel policies. Upon termination, employees are paid for accrued vacation. The School District 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 School District for the unused sick leave in accordance with School Districts' agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. As of June 30, 2023, the liability for compensated absences reported on the government-wide Statement of Net Position was \$32,295.

Note 17. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, 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.

Note 18. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. 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. The excess fund balance at June 30, 2023 was \$633,292.

Note 19. Fund Balances

General Fund – Of the \$2,578,555 General Fund, Fund balance at June 30, 2023, \$860,164 has been restricted for the Capital Reserve Account; \$155,013 has been restricted for the Maintenance Reserve Account; \$26,714 has been restricted for unemployment compensation; \$50,880 has been assigned for other purposes \$633,292 has been restricted for current year Excess surplus; \$772,982 has been restricted for Excess Surplus Designated for Subsequent Year's Expenditures and \$79,510 has been unassigned.

Special Revenue Fund – Of the (\$58,099) Special Revenue Fund fund balance at June 30, 2023, \$14,599 is restricted for student activities, \$251 is restricted for scholarships and (\$72,949) is unassigned.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023 (continued)**

Note 19. Fund Balances (continued):

Capital Projects Fund – Of the \$30,032 Capital Projects Fund fund balance at June 30, 2023, \$29,220 is restricted for capital projects and \$812 has been assigned for other purposes.

Note 20. Deficit Fund Balance

The School District has a deficit fund balance of \$58,099 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 delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) 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 School District deficit in the fund statements (modified accrual basis) of \$58,099 is less than or equal to the last two state aid payments.

Note 21. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$637,378 as of June 30, 2023. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2023. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 22. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2023 and January 24, 2024, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 2,211,092	\$ -	\$ 2,211,092	\$ 2,211,092	\$ -
Tuition From Other LEAs Within the State	10-1320	20,500	-	20,500	24,000	3,500
Interest Earned on Capital Reserve	10-1xxx	5	-	5	-	(5)
Interest Earned on Maintenance Reserve	10-1xxx	2	-	2	-	(2)
Miscellaneous	10-1xxx	2,200	-	2,200	24,087	21,887
Other Restricted Miscellaneous Revenue	10-1xxx	-	-	-	1,706	1,706
Total Local Sources		2,233,799	-	2,233,799	2,260,885	27,086
State Sources:						
Categorical Transportation Aid	10-3121	15,950	-	15,950	15,950	-
Categorical Special Education Aid	10-3132	152,723	-	152,723	152,723	-
Equalization Aid	10-3176	2,637,269	-	2,637,269	2,637,269	-
Categorical Security Aid	10-3177	63,683	-	63,683	63,683	-
State Reimb. For Lead Testing of Drinking Water	10-3300	-	-	-	1,398	1,398
Extraordinary Aid	10-3131	-	-	-	99,777	99,777
Nonpublic Transportation Aid	10-3xxx	-	-	-	3,744	3,744
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	775,735	775,735
On-Behalf TPAF Post Retirement Medical Contribution		-	-	-	203,784	203,784
On-Behalf TPAF Long-Term Disability Insurance Contribution		-	-	-	464	464
Reimbursed TPAF Social Security		-	-	-	178,786	178,786
Total State Sources		2,869,625	-	2,869,625	4,133,313	1,263,688
Total Revenues		5,103,424	-	5,103,424	6,394,198	1,290,774
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	134,784	20,050	154,834	151,180	3,654
Grades 1 - 5	11-120-100-101	985,313	(20,050)	965,263	920,487	44,776
Grades 6 - 8	11-130-100-101	191,818	(3,100)	188,718	182,294	6,424
Home Instruction - Regular	11-150-100-101	1,500	-	1,500	560	940
Purchased Professional & Educational Services	11-150-100-320	5,500	-	5,500	4,080	1,420
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	42,275	-	42,275	33,793	8,482
Purchased Professional & Educational Services	11-190-100-320	12,100	-	12,100	8,750	3,350
Purchased Technical Services	11-190-100-340	16,000	-	16,000	12,722	3,278
Other Purchased Services	11-190-100-500	15,000	10,835	25,835	17,066	8,769
General Supplies	11-190-100-610	105,060	(11,000)	94,060	58,366	35,694
Textbooks	11-190-100-640	60,000	(60,000)	-	-	-
Other Objects	11-190-100-800	1,300	-	1,300	264	1,036
Total Regular Programs		1,570,650	(63,265)	1,507,385	1,389,562	117,823
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	79,767	-	79,767	73,240	6,527
Other Salaries for Instruction	11-204-100-106	40,847	(12,500)	28,347	21,129	7,218
General Supplies	11-204-100-610	1,925	-	1,925	976	949
Total Learning and/or Language Disabilities:		122,539	(12,500)	110,039	95,345	14,694

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	79,067	-	79,067	77,599	1,468
Other Salaries for Instruction	11-209-100-106	18,837	-	18,837	17,919	918
General Supplies	11-209-100-610	1,050	-	1,050	-	1,050
Total Behavioral Disabilities		98,954	-	98,954	95,518	3,436
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	296,768	62,291	359,059	339,125	19,934
Other Salaries for Instruction	11-213-100-106	82,438	(19,000)	63,438	57,963	5,475
General Supplies	11-213-100-610	8,225	-	8,225	3,576	4,649
Total Resource Room/Resource Center		387,431	43,291	430,722	400,664	30,058
Preschool Disabilities - Part Time:						
Salaries of Teachers	11-215-100-101	2,500	-	2,500	2,205	295
Other Salaries for Instruction	11-215-100-106	3,000	(1,291)	1,709	1,709	-
Total Preschool Disabilities - Part-Time		5,500	(1,291)	4,209	3,914	295
Special Education - Home Instruction:						
Salaries of Teachers	11-219-100-101	6,500	-	6,500	3,045	3,455
Purchased Professional - Educational Services	11-219-100-320	2,000	6,000	8,000	5,801	2,199
Total Special Education - Home Instruction		8,500	6,000	14,500	8,846	5,654
Basic Skills/Remedial – Instruction:						
Salaries of Teachers	11-230-100-101	65,690	53,000	118,690	113,902	4,788
Supplies and Materials	11-230-100-610	800	-	800	589	211
Total Basic Skills/Remedial – Instruction		66,490	53,000	119,490	114,491	4,999
Total Special Education		689,414	88,500	777,914	718,778	59,136
School Sponsored Cocurricular Activities & Athletics:						
Salaries	11-401-100-100	6,950	3,100	10,050	9,997	53
Other Purchased Services	11-401-100-500	1,000	-	1,000	812	188
Supplies and Materials	11-401-100-600	750	1,000	1,750	1,568	182
Other Objects	11-401-100-800	275	-	275	275	-
Total School Sponsored Cocurricular - Activities & Athletics		8,975	4,100	13,075	12,652	423
Community Services Program						
Salaries	11-800-330-100	5,000	-	5,000	2,409	2,591
Total Community Services Program		5,000	-	5,000	2,409	2,591
Total - Instruction		2,274,039	29,335	2,303,374	2,123,401	179,973
Undistributed Expenditures:						
Instruction:						
Tuition to other LEA's within the state - Special	11-000-100-562	-	565	565	564	1
Tuition to CSSD & Regional Day Schools	11-000-100-565	282,380	(96,615)	185,765	140,788	44,977
Tuition to Private Schools for Disabled Within the State - Special	11-000-100-566	137,529	70,000	207,529	174,219	33,310
Total Instruction		419,909	(26,050)	393,859	315,571	78,288

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Attendance & Social Work Services:						
Salaries	11-000-211-100	10,721	-	10,721	8,600	2,121
Purchased Professional & Technical Services	11-000-211-300	1,750	-	1,750	1,544	206
Total Attendance Services		12,471	-	12,471	10,144	2,327
Health Services:						
Salaries	11-000-213-100	85,570	1,790	87,360	79,503	7,857
Purchased Professional & Technical Services	11-000-213-300	12,500	(2,000)	10,500	4,947	5,553
Supplies and Materials	11-000-213-600	4,125	-	4,125	1,985	2,140
Other Objects	11-000-213-890	200	-	200	148	52
Total Health Services		102,395	(210)	102,185	86,583	15,602
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	165,367	10,500	175,867	167,759	8,108
Purchased Professional - Educational Services	11-000-216-320	20,525	-	20,525	17,437	3,088
Supplies and Materials	11-000-216-600	1,625	-	1,625	541	1,084
Total Other Support Services - Students - Regular		187,517	10,500	198,017	185,737	12,280
Other Support Services - Students - Extraordinary Services:						
Salaries	11-000-217-100	63,747	12,500	76,247	69,695	6,552
Supplies and Materials	11-000-217-600	500	-	500	298	202
Total Other Support Services - Students - Extra Services		64,247	12,500	76,747	69,993	6,754
Other Support Services - Guidance Services:						
Salaries of Other Professional Staff	11-000-218-104	61,245	210	61,455	52,426	9,029
Purchased Professional & Educational Services	11-000-218-320	600	-	600	458	142
Other Purchased Professional & Technical Services	11-000-218-390	3,500	-	3,500	3,432	68
Supplies & Materials	11-000-218-600	750	-	750	265	485
Total Other Support Services-Guidance Services		66,095	210	66,305	56,581	9,724
Other Support Services - Child Study Team Services:						
Salaries of Other Professional Staff	11-000-219-104	2,500	-	2,500	2,065	435
Other Purchased Professional & Educational Services	11-000-219-320	115,000	-	115,000	112,170	2,830
Other Purchased Professional & Technical Services	11-000-219-390	74,100	-	74,100	1,800	72,300
Total Other Support Services - Child Study Team		191,600	-	191,600	116,035	75,565
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries Other Professional	11-000-221-104	2,500	-	2,500	1,250	1,250
Salaries Other Salaries	11-000-221-110	7,500	-	7,500	-	7,500
Purchases Professional & Educational Services	11-000-221-320	7,500	10,750	18,250	18,243	7
Other Purchased Professional & Technical Services	11-000-221-390	1,000	-	1,000	-	1,000
Supplies and Materials	11-000-221-600	500	-	500	-	500
Other Objects	11-000-221-800	500	-	500	-	500
Total Improvement of Instruction Services/Other Support Services Instructional Staff		19,500	10,750	30,250	19,493	10,757

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Educational Media Services/School Library:						
Salaries of Technology Coordinators	11-000-222-177	56,228	-	56,228	56,228	-
Other Purchased Professional & Technical Services	11-000-222-320	500	-	500	500	-
Supplies and Materials	11-000-222-600	3,475	-	3,475	2,716	759
Total Educational Media Services/School Library		60,203	-	60,203	59,444	759
Instructional Staff Training Services:						
Other Purchased Services	11-000-223-500	5,000	-	5,000	309	4,691
Total Instructional Staff Training Services		5,000	-	5,000	309	4,691
Support Services General Administration:						
Salaries	11-000-230-100	2,300	-	2,300	2,300	-
Legal Services	11-000-230-331	6,959	-	6,959	1,494	5,465
Audit Fees	11-000-230-332	23,500	-	23,500	18,401	5,099
Architectal/Engineering Services	11-000-230-334	12,750	-	12,750	-	12,750
Other Purchased Professional Services	11-000-230-339	34,250	-	34,250	33,500	750
Purchased Technical Services	11-000-230-340	5,250	-	5,250	4,145	1,105
Communications/Telephone	11-000-230-530	8,450	-	8,450	6,417	2,033
BOE Other Purchased Services	11-000-230-585	2,500	-	2,500	-	2,500
Misc. Purchased Services	11-000-230-590	18,875	-	18,875	15,154	3,721
General Supplies	11-000-230-610	100	-	100	-	100
Miscellaneous Expenditures	11-000-230-890	500	11,000	11,500	-	11,500
BOE Membership Dues & Fees	11-000-230-895	3,000	-	3,000	2,728	272
Total Support Services General Administration		118,434	11,000	129,434	84,139	45,295
Support Services School Administration:						
Salaries of Principals	11-000-240-103	102,500	-	102,500	84,050	18,450
Salaries of Secretarial and Clerical Assistants	11-000-240-105	67,881	236	68,117	56,014	12,103
Purchased Technical Services	11-000-240-300	12,000	(236)	11,764	10,266	1,498
Other Purchased Services	11-000-240-500	3,750	-	3,750	-	3,750
Supplies and Materials	11-000-240-600	6,500	-	6,500	4,052	2,448
Other Objects	11-000-240-800	1,000	19,000	20,000	895	19,105
Total Support Services School Administration		193,631	19,000	212,631	155,277	57,354
Central Services:						
Purchased Professional Services	11-000-251-330	93,887	-	93,887	76,987	16,900
Purchased Technical Services	11-000-251-340	8,000	10,000	18,000	9,458	8,542
Supplies and Materials	11-000-251-600	825	-	825	269	556
Miscellaneous Expenditures	11-000-251-890	500	-	500	191	309
Total Central Services		103,212	10,000	113,212	86,905	26,307
Allowable Maintenance for School Facilities:						
Salaries	11-000-261-100	49,440	-	49,440	40,541	8,899
Cleaning, Repair & Maintenance Services	11-000-261-420	42,500	-	42,500	20,816	21,684
Lead Testing of Drinking Water	11-000-261-421	500	-	500	-	500
General Supplies	11-000-261-610	32,560	-	32,560	6,529	26,031
Total Allowable Maintenance for School Facilities		125,000	-	125,000	67,886	57,114

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Custodial services:						
Salaries	11-000-262-100	77,850	(6,104)	71,746	53,674	18,072
Salaries of Non-Instructional Aides	11-000-262-107	35,520	6,104	41,624	37,091	4,533
Purchased Professional and Technical Services	11-000-262-300	3,500	-	3,500	1,911	1,589
Cleaning, Repair & Maintenance Services	11-000-262-420	24,648	-	24,648	5,565	19,083
Other Purchased Property Services	11-000-262-490	17,500	-	17,500	8,646	8,854
Insurance	11-000-262-520	16,000	-	16,000	10,345	5,655
Other Purchased Services	11-000-262-590	500	-	500	-	500
General Supplies	11-000-262-610	49,000	(12,000)	37,000	10,494	26,506
Energy (Heat & Electricity)	11-000-262-622	129,709	(30,000)	99,709	66,042	33,667
Other Objects	11-000-262-800	1,250	-	1,250	739	511
Total Custodial Services		355,477	(42,000)	313,477	194,507	118,970
Security						
Purchased Professional and Technical Services	11-000-266-300	500	50,500	51,000	41,408	9,592
General Supplies	11-000-266-610	5,000	-	5,000	4,015	985
Total Security		5,500	50,500	56,000	45,423	10,577
Total Operations and Maintenance		485,977	8,500	494,477	307,816	186,661
Student Transportation Services:						
Management Fee CCESE	11-000-270-350	50	-	50	-	50
Contracted Services - Aid in Lieu of Payments	11-000-270-503	11,500	-	11,500	8,219	3,281
Contracted Services (Other Than Between Home & School) - Vendors	11-000-270-512	7,500	-	7,500	7,000	500
Contracted Services (Between Home & School) - Joint Agreements Special	11-000-270-515	75,000	(18,000)	57,000	37,983	19,017
Contracted Services (Special Education Students) - ESC'S	11-000-270-518	135,000	18,000	153,000	151,479	1,521
Total Student Transportation Services		229,050	-	229,050	204,681	24,369
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	83,000	(13,500)	69,500	41,338	28,162
Other Retirement Contribution - PERS	11-000-291-241	67,000	(26,500)	40,500	32,230	8,270
Other Retirement Contributions Regular	11-000-291-249	10,750	1,500	12,250	11,927	323
Unemployment Compensation	11-000-291-250	15,000	-	15,000	-	15,000
Workmen's Compensation	11-000-291-260	26,950	-	26,950	21,689	5,261
Health Benefits	11-000-291-270	795,600	(50,000)	745,600	573,707	171,893
Tuition Reimbursement	11-000-291-280	5,000	-	5,000	-	5,000
Other Employee Benefits	11-000-291-290	2,500	-	2,500	1,559	941
Unused Sick Payment to Terminated/Retired Employees	11-000-291-299	2,000	-	2,000	-	2,000
Total Unallocated Benefits		1,007,800	(88,500)	919,300	682,450	236,850
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	775,735	(775,735)
On-Behalf TPAF Post Retirement Medical Contribution		-	-	-	203,784	(203,784)
On-Behalf TPAF Long-Term Disability Insurance Contribution		-	-	-	464	(464)
Reimbursed TPAF Social Security		-	-	-	178,786	(178,786)
Total on-behalf contributions		-	-	-	1,158,769	(1,158,769)
Total personal services - employee benefits		1,007,800	(88,500)	919,300	1,841,219	(921,919)
Total Undistributed Expenditures		3,267,041	(32,300)	3,234,741	3,599,927	(365,186)
Interest Earned on Maintenance Reserve	10-606	2	-	2	-	2

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ACCOUNT NUMBER	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Total Expenditures - Current Expense		5,541,082	(2,965)	5,538,117	5,723,328	(185,211)
Capital Outlay						
Undistributed Expenditures:						
Instructional Equipment	12-000-100-730	-	3,800	3,800	-	3,800
Total Equipment		-	3,800	3,800	-	3,800
Facilities Acquisitions & Construction Services:						
Construction Services	12-000-400-450	250,000	-	250,000	-	250,000
Interest Earned on Capital Reserve	10-604	5	-	5	-	5
Total Facilities Acquisitions & Construction Services Expenditures		250,005	-	250,005	-	250,005
Right to Use Assets Acquired Through Leases (Non-Budgeted)		-	-	-	38,483	(38,483)
Total Right to Use Assets Acquired Through Leases (Non-Budgeted)		-	-	-	38,483	(38,483)
Total Capital Outlay		250,005	3,800	253,805	38,483	215,322
Total Expenditures		5,791,087	835	5,791,922	5,761,811	30,111
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(687,663)	(835)	(688,498)	632,387	1,320,885
Other Financing Sources/(Uses):						
Local Contrib. - Trans to Special Rev- Inclusion	11-105-100-936	(81,054)	-	(81,054)	(81,054)	-
Capital leases (non-budgeted)		-	-	-	38,483	38,483
Total other financing sources		(81,054)	-	(81,054)	(42,571)	38,483
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses		(768,717)	(835)	(769,552)	589,816	1,359,368
Fund Balances, July 1		2,262,750	-	2,262,750	2,262,750	-
Fund Balances, June 30		\$ 1,494,033	\$ (835)	\$ 1,493,198	\$ 2,852,566	\$ 1,359,368

RECAPITULATION OF BUDGET TRANSFERS:

Prior Year Reserve for Encumbrances	\$ 835
	<u>\$ 835</u>

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Capital Reserve Account	\$ 860,164
Maintenance Reserve Account	155,013
Excess Surplus	633,292
Excess Surplus - Designated for Subsequent Year's Expenditures	772,982
Unemployment Compensation	26,714
Assigned Fund Balance:	
Year-End Encumbrances	50,880
Unassigned Fund Balance	<u>353,521</u>
	2,852,566
Reconciliation to Governmental Fund Statements (GAAP):	
Last Two State Aid Payments Not Recognized on GAAP Basis	<u>(274,011)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 2,578,555</u>

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
REVENUES					
Local Sources	\$ 6,002	\$ 34,498	\$ 40,500	\$ 35,618	\$ (4,882)
State Sources	729,486	12,266	741,752	686,193	(55,559)
Federal Sources	178,150	925,039	1,103,189	600,873	(502,316)
Total Revenues	913,638	971,803	1,885,441	1,322,684	(562,757)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	290,943	68,668	359,611	310,543	49,068
Other Salaries for Instruction	73,924	-	73,924	71,950	1,974
Purchased Professional/Technical Services	-	76,812	76,812	51,222	25,590
Other Purchased Services	10,000	6,000	16,000	7,515	8,485
Tuition	80,153	36,861	117,014	117,014	-
General Supplies	106,664	131,471	238,135	179,887	58,248
Other Objects	-	650	650	-	650
Total Instruction	561,684	320,462	882,146	738,131	144,015
Support Services:					
Salaries of Teachers	78,890	36,937	115,827	37,705	78,122
Salaries of Program Directors	15,129	3,321	18,450	18,450	-
Salaries of Other Professional Staff	-	24,863	24,863	24,863	-
Salaries of Secretarial & Clerical	-	13,905	13,905	13,905	-
Other Salaries	-	18,107	18,107	18,107	-
Salaries of Comm. Parent Involvement	3,000	(975)	2,025	2,000	25
Personal Services - Employee Benefits	42,880	67,898	110,778	100,378	10,400
Purchased Professional Educational Services	65,000	(28,345)	36,655	35,830	825
Purchased Professional Technical Services	39,148	268,817	307,965	143,141	164,824
Cleaning, Repairs & Maintenance	6,000	-	6,000	5,791	209
Other Purchased Services	35,000	29,453	64,453	42,274	22,179
Supplies & Materials	16,959	11,853	28,812	9,903	18,909
Student Activities	6,000	34,000	40,000	38,857	1,143
Scholarship	2	498	500	500	-
Total Support Services	308,008	480,332	788,340	491,704	296,636
Facilities Acquisition & Construction Services:					
Buildings	-	158,743	158,743	43,839	114,904
Non-Instructional Equipment	125,000	12,266	137,266	133,803	3,463
Total Facilities Acquisition & Construction Services	125,000	171,009	296,009	177,642	118,367
Total Expenditures	994,692	971,803	1,966,495	1,407,477	559,018
Other Financing Sources:					
Transfers from Operating Budget - Pre-K	81,054	-	81,054	81,054	-
Total Other Financing Sources	81,054	-	81,054	81,054	-
Net Change in Fund Balance	-	-	-	(3,739)	(3,739)
Fund Balance, July 1	18,589	-	18,589	18,589	-
Fund Balance June 30	\$ 18,589	\$ -	\$ 18,589	\$ 14,850	\$ (3,739)

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:

Scholarships	\$ 251
Student Activities	14,599
	<u>\$ 14,850</u>

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2023**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$6,394,198	\$1,322,684
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(43,457)
Prior Year	-	6,201
State aid payment recognized for budgetary purposes, not recognized for GAAP statements.		
Current Year	(274,011)	(72,949)
Prior Year	262,009	67,600
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	\$6,382,196	\$1,280,079
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$5,761,811	\$1,407,477
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposed, but in the year the supplies are received for financial reporting purposes.	-	(37,256)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		
	\$5,761,811	\$1,370,221

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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NATIONAL PARK BOROUGH SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00256%	0.00447%	0.00449%	0.00445%	0.00474%	0.00474%	0.00468%	0.00460%	0.00446%	0.00507%
School District's proportionate share of the net pension liability	\$ 385,707	\$ 529,378	\$ 731,913	\$ 802,723	\$ 993,190	\$ 1,103,973	\$ 1,386,133	\$ 1,031,494	\$ 835,225	\$ 968,409
School District's covered payroll	\$ 195,776	\$ 236,871	\$ 327,482	\$ 316,769	\$ 326,842	\$ 307,525	\$ 324,787	\$ 328,175	Unavailable	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	197.01%	223.49%	223.50%	253.41%	303.87%	358.99%	426.78%	314.31%	Unavailable	Unavailable
Plan fiduciary net position as a percentage of the total pension liability	62.91%	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.93%	52.08%	58.70%

The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

NATIONAL PARK BOROUGH SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's contractually required contribution	\$ 32,230	\$ 52,333	\$ 49,099	\$ 43,334	\$ 47,143	\$ 43,934	\$ 41,578	\$ 39,505	\$ 36,776	\$ 38,179
Contributions in relation to the contractually required contribution	(32,230)	(52,333)	(49,099)	(43,334)	(47,143)	(43,934)	(41,578)	(39,505)	(36,776)	(38,179)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	206,340	195,776	236,871	327,482	316,769	326,842	307,525	324,787	328,175	Unavailable
Contributions as a percentage of covered-employee payroll	15.62%	26.73%	20.73%	13.23%	14.88%	13.44%	13.52%	12.16%	11.21%	Unavailable

NATIONAL PARK BOROUGH SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND (TPAF)
 LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the District	9,470,228	9,167,957	12,225,882	10,713,752	11,323,022	11,915,200	13,965,247	10,973,838	9,245,980	8,703,255
	<u>\$ 9,470,228</u>	<u>\$ 9,167,957</u>	<u>\$ 12,225,882</u>	<u>\$ 10,713,752</u>	<u>\$ 11,323,022</u>	<u>\$ 11,915,200</u>	<u>\$ 13,965,247</u>	<u>\$ 10,973,838</u>	<u>\$ 9,245,980</u>	<u>\$ 8,703,255</u>
School District's covered payroll	\$ 2,288,596	\$ 2,065,657	\$ 2,057,196	\$ 2,040,496	\$ 1,882,908	\$ 1,916,143	\$ 1,830,930	\$ 1,728,211	Unavailable	Unavailable
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHEDULE OF SCHOOL DISTRICT CONTRIBUTIONS
TEACHERS' PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS**

This schedule is not applicable. There is a special funding situation where the State of New Jersey pays 100% of the required contributions associated with the school district.

M. Schedules Related to Accounting and Reporting for Other Post-Employment Benefits (GASB 75)

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (OPEB)
LAST SIX FISCAL YEARS***

	2023	2022	2021	2020	2019	2018
District's Total OPEB Liability						
Service Cost	\$ 523,272	\$ 615,716	\$ 326,109	\$ 366,844	\$ 373,809	\$ 451,304
Interest Cost	296,243	339,402	321,010	427,989	445,925	385,071
Difference between Expected & Actual Differences	558,151	(2,180,030)	2,538,387	(2,518,494)	(694,208)	-
Changes of Benefit Terms	-	(13,926)	-	-	-	-
Changes of Assumptions	(2,998,734)	12,908	2,661,110	133,706	(1,242,176)	(1,538,383)
Contributions: Member	9,414	8,677	7,687	8,160	10,004	10,423
Gross Benefit Payments	(293,437)	(267,354)	(253,620)	(275,276)	(289,446)	(283,057)
Net Change in District's Total OPEB Liability	(1,905,091)	(1,484,607)	5,600,683	(1,857,071)	(1,396,092)	(974,642)
District's Total OPEB Liability (Beginning)	13,083,596	14,568,203	8,967,520	10,824,591	12,220,683	13,195,325
District's Total OPEB Liability (Ending)	\$ 11,178,505	\$ 13,083,596	\$ 14,568,203	\$ 8,967,520	\$ 10,824,591	\$ 12,220,683
District's Covered Employee Payroll	\$ 2,484,372	\$ 2,302,528	\$ 2,384,678	\$ 2,357,265	\$ 2,209,750	\$ 2,223,668
District's Net OPEB Liability as a Percentage of Covered Payroll	449.95%	568.23%	610.91%	380.42%	489.86%	549.57%

The amounts presented for each fiscal year were determined as of the previous fiscal year end (the measurement date).

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - None.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 2.16% as of June 30, 2021, to 3.54% as of June 30, 2022.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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

	ESEA CONSOLIDATED						IDEA PART-B PRESCHOOL	SDA EMERG. & CAPITAL NEEDS	SUBTOTALS
	TITLE I PART A	TITLE I SIA PART A	TITLE II PART A	TITLE IV	ARP IDEA BASIC	IDEA PART-B BASIC			
Revenues:									
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,266	\$ 12,266
Federal Sources	40,570	17,566	3,213	4,867	6,000	126,973	3,569	-	202,758
Total Revenues	\$ 40,570	\$ 17,566	\$ 3,213	\$ 4,867	\$ 6,000	\$ 126,973	\$ 3,569	\$ 12,266	\$ 215,024
Expenditures:									
Instruction:									
Salaries of Teachers	\$ 26,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,592
Other Purchased Services	-	-	-	-	6,000	-	-	-	6,000
Tuition	-	-	-	-	-	117,014	-	-	117,014
General Supplies	-	5,855	-	-	-	1,698	-	-	7,553
Total Instruction	26,592	5,855	-	-	6,000	118,712	-	-	157,159
Support Services:									
Salaries of Teachers	-	105	-	-	-	-	-	-	105
Personal Services - Employee Benefits	13,978	8	-	-	-	-	-	-	13,986
Purchased Professional Educational Services	-	-	-	-	-	8,261	3,569	-	11,830
Purchased Professional Technical Services	-	-	-	4,867	-	-	-	-	4,867
Other Purchased Services	-	6,835	3,213	-	-	-	-	-	10,048
Supplies & Materials	-	4,763	-	-	-	-	-	-	4,763
Total Support Services	13,978	11,711	3,213	4,867	-	8,261	3,569	-	45,599
Facilities Acquisition & Construction Services:									
Non-instructional Equipment	-	-	-	-	-	-	-	12,266	12,266
Total Facilities Acquisition & Construction Services:	-	-	-	-	-	-	-	12,266	12,266
Total Expenditures	40,570	17,566	3,213	4,867	6,000	126,973	3,569	12,266	215,024
Net Change in Fund Balance	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	PRESCHOOL EDUCATION AID	CARES	ESSER II	CRRSA - ESSER II LEARNING	ACCEL. ACCEL.	MENTAL HEALTH	ESSER III	ACCEL. LEARNING	AMERICAN RESCUE PLAN SUMMER LEARNING	BEYOND THE SCHOOL DAY	MENTAL HEALTH	STUDENT ACTIVITY	SCHOLARSHIP	TOTALS
Revenues:														
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,038	\$ 580	\$ 35,618
State Sources	673,927	-	-	-	-	-	-	-	-	-	-	-	-	686,193
Federal Sources	-	5,479	113,636	10,275	22,569	7,167	222,005	14,479	605	1,900	-	-	-	600,873
Total Revenues	\$ 673,927	\$ 5,479	\$ 113,636	\$ 10,275	\$ 22,569	\$ 7,167	\$ 222,005	\$ 14,479	\$ 605	\$ 1,900	\$ 35,038	\$ 580	\$ 580	\$ 1,322,684
Expenditures:														
Instruction:														
Salaries of Teachers	\$ 279,161	\$ -	\$ 1,033	\$ 2,917	\$ -	\$ -	\$ -	\$ 840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 310,543
Other Salaries for Instruction	71,950	-	-	-	-	-	-	-	-	-	-	-	-	71,950
Purchased Professional/Educational Services	-	-	11,724	6,800	20,698	-	-	12,000	-	-	-	-	-	51,222
Other Purchased Services	1,515	-	-	-	-	-	-	-	-	-	-	-	-	7,515
Tuition	-	-	-	-	-	-	-	-	-	-	-	-	-	117,014
General Supplies	33,575	5,004	84,445	-	-	-	47,735	1,575	-	-	-	-	-	179,887
Other Objects	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Instruction	386,201	5,004	97,202	9,717	20,698	-	47,735	14,415	-	-	-	-	-	738,131
Support Services:														
Salaries of Teachers	-	-	14,255	-	-	-	23,345	-	-	-	-	-	-	37,705
Salaries of Program Directors	18,450	-	-	-	-	-	-	-	-	-	-	-	-	18,450
Salaries of Other Professional Staff	24,863	-	-	-	-	-	-	-	-	-	-	-	-	24,863
Salaries of Secretarial & Clerical	13,905	-	-	-	-	-	-	-	-	-	-	-	-	13,905
Other Salaries	18,107	-	-	-	-	-	-	-	-	-	-	-	-	18,107
Salaries of Comm. Parent Involvement	2,000	-	-	-	-	-	-	-	-	-	-	-	-	2,000
Personal Services - Employee Benefits	79,007	-	1,933	558	371	-	4,334	64	125	-	-	-	-	100,378
Purchased Professional Educational Services	24,000	-	-	-	-	-	-	-	-	-	-	-	-	35,830
Purchased Professional Technical Services	27,667	475	-	-	1,500	3,500	102,752	-	480	1,900	-	-	-	143,141
Cleaning, Repairs & Maintenance	5,791	-	-	-	-	-	-	-	-	-	-	-	-	5,791
Other Purchased Services	29,726	-	-	-	-	2,500	-	-	-	-	-	-	-	42,274
Supplies & Materials	3,727	-	246	-	-	1,167	-	-	-	-	-	-	-	9,903
Student Activities	-	-	-	-	-	-	-	-	-	-	38,857	-	-	38,857
Scholarship	-	-	-	-	-	-	-	-	-	-	-	500	-	500
Total Support Services	247,243	475	16,434	558	1,871	7,167	130,431	64	605	1,900	38,857	500	500	491,704
Facilities Acquisition & Construction Services:														
Buildings	-	-	-	-	-	-	43,839	-	-	-	-	-	-	43,839
Non-Instructional Equipment	121,537	-	-	-	-	-	-	-	-	-	-	-	-	133,803
Total Facilities Acquisition & Construction Services	121,537	-	-	-	-	-	43,839	-	-	-	-	-	-	177,642
Total Expenditures	754,981	5,479	113,636	10,275	22,569	7,167	222,005	14,479	605	1,900	38,857	500	500	1,407,477
Other Financing Sources:														
Transfers from Operating Budget - Pre-K	81,054	-	-	-	-	-	-	-	-	-	-	-	-	81,054
Total Other Financing Sources	81,054	-	-	-	-	-	-	-	-	-	-	-	-	81,054
Net Change in Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-	80	(3,739)
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-	-	171	18,589
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 251	\$ 14,850

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION/EXPANSION AID
STATEMENT OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	2023		
	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 290,943	\$ 279,161	\$ 11,782
Other Salaries for Instruction	73,924	71,950	1,974
Purchased Professional Services	19,931	-	19,931
Other Purchased Services	10,000	1,515	8,485
Supplies	34,164	33,575	589
Total Instruction	428,962	386,201	42,761
Support Services:			
Salaries of Program Directors	18,450	18,450	-
Salaries of Other Professional Staff	24,863	24,863	-
Salaries of Secretarial & Clerical	13,905	13,905	-
Other Salaries	18,107	18,107	-
Salaries of Comm. Parent Involvement	2,025	2,000	25
Personal Services - Employee Benefits	79,007	79,007	-
Purchased Professional Educational Services	24,825	24,000	825
Purchased Professional Technical Services	27,667	27,667	-
Cleaning, Repairs & Maintenance	6,000	5,791	209
Other Purchased Services	29,729	29,726	3
Supplies & Materials	12,000	3,727	8,273
Total Support Services	256,578	247,243	9,335
Facilities Acquisition & Construction Services:			
Non-instructional Equipment	125,000	121,537	3,463
Total Facilities Acquisition & Construction Services	125,000	121,537	3,463
Total Expenditures	\$ 810,540	\$ 754,981	\$ 55,559

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2022-2023 Preschool Education Aid Allocation	\$ 729,486
Add: Budgeted Transfer from General Fund 2022-2023	81,054
Add: Actual Preschool Education Aid Carryover (June 30, 2022)	633,277
Total Preschool Education Aid Funds Available for 2022-2023 Budget	1,443,817
Less: 2022-2023 Budgeted Preschool Education Aid (Including Prior Year Budget Carryover)	(810,540)
Available & Unbudgeted Preschool Education Aid Funds June 30, 2023	633,277
Add: June 30, 2023 Unexpended Preschool Education Aid	55,559
Total Actual Preschool Education Aid Carryover	\$ 688,836
2022-2023 Preschool Education Aid Carryover Budgeted in 2023-2024	\$ 633,277

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F. Capital Projects Fund

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2023**

<u>PROJECT TITLE/ISSUE</u>	<u>ORIGINAL DATE</u>	<u>APPROPRIATIONS</u>	<u>EXPENDITURES TO DATE</u>		<u>UNEXPENDED BALANCE 2023</u>
			<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	
School Security Vestibule	7/1/2021	\$ 105,000	\$ -	\$ 74,968	\$ 30,032
Total		\$ 105,000	\$ -	\$ 74,968	\$ 30,032

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

Expenditures and Other Financing Uses:	
Purchased Professional & Technical Services	\$ 7,308
Construction Services	<u>67,660</u>
 Total Expenditures	 <u>74,968</u>
 Excess (deficiency) of revenues over (under) expenditures	 (74,968)
Fund Balance - Beginning	<u>105,000</u>
 Fund Balance - Ending	 <u><u>\$ 30,032</u></u>

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
SCHOOL SECURITY VESTIBULE
FOR FISCAL YEAR ENDED JUNE 30, 2023**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ 105,000	\$ -	\$ 105,000	\$ 105,000
Total Revenues	105,000	-	105,000	105,000
Expenditures & Other Financing Uses:				
Architect/engineer services	-	7,308	7,308	20,000
Construction Services	-	67,660	67,660	85,000
Total Expenditures	-	74,968	74,968	105,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 105,000	\$ (74,968)	\$ 30,032	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	3490-050-22-1001
Original Authorized Cost	\$ 105,000
Additional Authorized Cost	-
Revised Authorized Cost	\$ 105,000
Percentage Increase Over Original Authorized Cost	N/A
Percentage Completion	71.40%
Original Target Completion Date	8/30/2022
Revised Target Completion Date	N/A

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G. Proprietary Funds

Not applicable

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Enterprise Funds

Not applicable

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Internal Service Fund

Not applicable

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I. Long-Term Debt

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**NATIONAL PARK BOROUGH SCHOOL DISTRICT
LONG-TERM DEBT ACCOUNT GROUP
SCHEDULE OF SERIAL BONDS
JUNE 30, 2023**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES		INTEREST RATE	BALANCE JULY 1, 2022	PAID	BALANCE JUNE 30, 2023
			DATE	AMOUNT				
Refunding Bonds Series 2009	12/10/09	\$ 2,950,000	2/1/24	\$ 200,000	4.000%	\$ 605,000	\$ 195,000	\$ 410,000
			2/1/25	210,000	4.000%			
Total						\$ 605,000	\$ 195,000	\$ 410,000

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
Revenues:					
Local Sources:					
Local Tax Levy	\$ 123,009	\$ -	\$ 123,009	\$ 123,009	\$ -
State Sources:					
Debt Service aid type II	96,191	-	96,191	96,191	-
Total Revenues	219,200	-	219,200	219,200	-
Expenditures:					
Regular Debt Service:					
Interest	24,200	-	24,200	24,200	-
Redemption of Principal	195,000	-	195,000	195,000	-
Total Regular Debt Service	219,200	-	219,200	219,200	-
Excess/(Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

STATISTICAL SECTION (Unaudited)

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NATIONAL PARK BOROUGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 2,795,333	\$ 2,565,339	\$ 2,523,706	\$ 2,421,598	\$ 2,301,271	\$ 2,213,472	\$ 2,108,084	\$ 2,045,028	\$ 1,991,224	\$ 1,778,049
Restricted	2,492,235	2,080,473	1,514,174	882,573	966,899	1,073,587	1,163,357	1,233,323	1,054,248	1,006,954
Unrestricted	(637,378)	(935,376)	(1,027,397)	(1,064,587)	(1,115,295)	(14,823,317)	(1,019,572)	(937,298)	(943,164)	(34,371)
Total Governmental Activities	\$ 4,650,190	\$ 3,710,436	\$ 3,010,483	\$ 2,239,584	\$ 2,152,875	\$ (11,536,258)	\$ 2,251,869	\$ 2,341,053	\$ 2,102,308	\$ 2,750,632
District-Wide:										
Invested in Capital Assets,										
Net of Related Debt	\$ 2,795,333	\$ 2,565,339	\$ 2,523,706	\$ 2,421,598	\$ 2,301,271	\$ 2,213,472	\$ 2,108,084	\$ 2,045,028	\$ 1,991,224	\$ 1,778,049
Restricted	2,492,235	2,080,473	1,514,174	882,573	966,899	1,073,587	1,163,357	1,233,323	1,054,248	1,006,954
Unrestricted	(637,378)	(935,376)	(1,027,397)	(1,064,587)	(1,115,295)	(14,823,317)	(1,019,572)	(937,298)	(943,164)	(34,371)
Total District Net Position	\$ 4,650,190	\$ 3,710,436	\$ 3,010,483	\$ 2,239,584	\$ 2,152,875	\$ (11,536,258)	\$ 2,251,869	\$ 2,341,053	\$ 2,102,308	\$ 2,750,632

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 1,300,735	\$ 1,335,417	\$ 1,220,066	\$ 1,292,155	\$ 1,331,734	\$ 1,280,353	\$ 1,315,859	\$ 1,259,160	\$ 1,264,083	\$ 1,283,583
Special Education	1,449,078	1,293,747	1,076,223	717,234	683,501	710,388	598,768	590,687	634,332	591,396
Other Special Instruction	-	-	-	71,297	97,838	140,592	168,793	140,766	122,941	81,069
Other Instruction	15,061	8,698	1,500	7,850	6,869	6,539	8,616	8,731	8,909	8,806
Support Services:										
Tuition & Student & Instruction Related Services	1,309,452	980,095	876,132	929,827	911,867	787,535	875,156	766,275	814,942	927,259
School Administrative Services	155,277	196,328	196,663	192,882	184,928	183,694	179,315	173,162	166,925	161,505
General & business administrative service:	171,044	179,363	172,218	181,420	175,487	163,667	168,825	157,575	163,937	176,081
Plant Operations & Maintenance	336,259	281,982	322,052	310,490	354,388	313,107	322,844	309,437	306,398	328,120
Pupil Transportation	204,681	152,592	91,058	166,345	142,061	72,852	113,861	136,098	81,437	127,460
Employee Benefits	2,275,471	2,531,472	2,839,677	1,770,640	1,952,652	1,950,607	1,325,597	1,033,657	961,326	886,953
Interest & Other Charges	20,950	28,750	55,387	52,783	62,283	69,820	78,820	87,720	96,721	101,921
Capital Outlay	-	-	41,920	15,461	6,996	-	13,980	6,350	-	1,199
Unallocated Depreciation	161,512	163,217	163,261	168,255	170,567	176,556	172,344	168,840	174,272	167,541
Unallocated Amortization	13,190	-	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses:	7,412,710	7,151,661	7,056,157	5,876,639	6,081,171	5,855,710	5,342,778	4,838,458	4,796,223	4,842,893
Program Revenues:										
Governmental Activities:										
Charges for Services	35,038	22,711	18,906	-	-	-	-	-	-	-
Operating Grants & Contributions	1,895,280	1,770,057	2,215,857	435,199	425,574	290,416	305,449	316,800	366,349	289,575
Total Governmental Activities Program Revenues	\$ 1,930,318	\$ 1,792,768	\$ 2,234,763	\$ 435,199	\$ 425,574	\$ 290,416	\$ 305,449	\$ 316,800	\$ 366,349	\$ 289,575
Net (Expense)/Revenue:										
Governmental Activities	\$ (5,482,392)	\$ (5,358,893)	\$ (4,821,394)	\$ (5,441,440)	\$ (5,655,597)	\$ (5,565,294)	\$ (5,037,329)	\$ (4,521,658)	\$ (4,429,874)	\$ (4,553,318)
Total District-Wide Net Expense	\$ (5,482,392)	\$ (5,358,893)	\$ (4,821,394)	\$ (5,441,440)	\$ (5,655,597)	\$ (5,565,294)	\$ (5,037,329)	\$ (4,521,658)	\$ (4,429,874)	\$ (4,553,318)

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues & Other Changes in Net Position										
Governmental Activities:										
Property Taxes, Levied for General Purposes, Net	\$ 2,211,092	\$ 2,167,737	\$ 2,125,232	\$ 2,083,560	\$ 2,042,706	\$ 1,973,241	\$ 1,934,550	\$ 1,896,618	\$ 1,859,429	\$ 1,808,371
Taxes Levied for Debt Service	123,009	127,386	180,453	187,976	185,246	188,374	192,322	191,975	200,446	201,738
Federal & State Aid Not Restricted	4,038,252	3,724,291	3,178,827	3,192,959	3,383,072	2,784,149	2,724,807	2,635,330	2,590,632	2,521,587
Tuition	24,000	24,378	74,583	55,133	-	-	-	-	-	-
Interest on Capital Reserve	-	-	-	825	-	1	1	2	1	1
Miscellaneous Income	25,793	15,054	14,042	7,696	52,246	26,727	96,465	36,478	61,922	84,951
Prior year (receivable) payable canceled	-	-	-	-	-	-	-	-	-	(2)
Miscellaneous Restricted Income	-	-	2,497	-	-	-	-	-	-	-
Loss on retirement of assets	-	-	-	-	-	-	-	-	(650)	-
Total Governmental Activities	6,422,146	6,058,846	5,575,634	5,528,149	5,663,270	4,972,492	4,948,145	4,760,403	4,711,780	4,616,646
Total District-Wide	\$ 6,422,146	\$ 6,058,846	\$ 5,575,634	\$ 5,528,149	\$ 5,663,270	\$ 4,972,492	\$ 4,948,145	\$ 4,760,403	\$ 4,712,430	\$ 4,616,646
Change in Net Position:										
Governmental Activities	\$ 939,754	\$ 699,953	\$ 754,240	\$ 86,709	\$ 7,673	\$ (592,802)	\$ (89,184)	\$ 238,745	\$ 281,906	\$ 63,328
Total District	\$ 939,754	\$ 699,953	\$ 754,240	\$ 86,709	\$ 7,673	\$ (592,802)	\$ (89,184)	\$ 238,745	\$ 282,556	\$ 63,328

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Restricted	\$ 2,448,165	\$ 1,956,884	\$ 1,494,455	\$ 809,822	\$ 897,526	\$ 985,155	\$ 1,075,152	\$ 1,157,319	\$ 983,441	\$ 921,342
Assigned	50,880	835	9,638	12,041	8,662	26,720	26,493	15,293	10,097	24,902
Unassigned	79,510	43,022	90,751	72,107	63,959	52,463	71,265	58,535	66,227	54,233
Total General Fund	\$ 2,578,555	\$ 2,000,741	\$ 1,594,844	\$ 893,970	\$ 970,147	\$ 1,064,338	\$ 1,172,910	\$ 1,231,147	\$ 1,059,765	\$ 1,000,477
All Other Governmental Funds										
Restricted:										
Capital projects	\$ 30,032	\$ 105,000	\$ -	\$ 60,710	\$ 60,710	\$ 60,710	\$ 60,710	\$ 60,710	\$ 60,710	\$ 60,710
Debt Service Fund	-	-	-	-	1	1,002	1,002	1	-	-
Special Revenue Fund	14,850	18,589	19,719	-	-	-	-	-	-	-
Unassigned, Reported in:										
Special Revenue Fund	(72,949)	(67,600)	(70,389)	(33,143)	(11,027)	(11,766)	(15,387)	(12,671)	(14,482)	(9,051)
Total All Other Governmental Funds	\$ (28,067)	\$ 55,989	\$ (50,670)	\$ 27,567	\$ 49,684	\$ 49,946	\$ 46,325	\$ 48,040	\$ 46,228	\$ 51,659

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Revenues:										
Tax Levy	\$ 2,334,101	\$ 2,295,123	\$ 2,305,685	\$ 2,271,536	\$ 2,227,952	\$ 2,161,615	\$ 2,126,872	\$ 2,088,593	\$ 2,059,875	\$ 2,010,109
Tuition Charges	24,000	24,378	74,583	55,133	-	-	-	-	-	-
Interest Earnings	-	40	257	825	1,160	1,380	1,448	1,365	1,113	1,186
Miscellaneous	59,705	29,530	32,691	7,696	51,086	25,348	95,018	35,115	60,810	83,766
Other Restricted Miscellaneous Revenue	1,706	8,195	2,497	-	-	-	-	-	-	-
State Sources	4,891,696	4,282,952	3,736,136	3,286,316	3,041,876	2,905,433	2,851,095	2,763,855	2,730,017	2,612,022
Federal Sources	570,267	403,618	328,605	217,795	317,065	169,132	179,161	188,275	226,964	199,140
Total Revenue	7,881,475	7,043,836	6,480,454	5,839,301	5,639,139	5,262,908	5,253,594	5,077,203	5,078,779	4,906,223
Expenditures:										
Instruction:										
Regular Instruction	1,389,562	1,335,417	1,228,891	1,292,155	1,331,734	1,280,353	1,315,859	1,259,160	1,264,083	1,283,583
Special Education Instruction	1,449,078	1,293,747	1,076,623	717,234	683,501	710,388	598,768	590,687	634,332	591,396
Other Special Instruction	-	-	-	71,297	97,838	140,592	168,793	140,766	122,941	81,069
Other Instruction	15,061	8,698	1,500	7,850	6,869	6,539	8,616	8,731	8,909	8,806
Support Services:										
Tuition, Student & Instruction Related	1,309,452	980,095	918,052	953,443	924,475	782,360	875,075	767,022	819,382	926,896
General & Administration Services	171,044	186,294	172,218	181,420	175,487	163,667	168,825	157,575	163,937	176,081
School Administrative Services	155,277	196,328	196,663	192,882	184,928	183,694	179,315	173,162	166,925	161,505
Plant Operations & Maintenance	307,816	281,982	328,007	310,490	354,388	313,107	322,844	309,437	306,398	328,120
Pupil Transportation	204,681	152,592	91,058	166,345	142,061	72,852	113,861	136,098	81,437	127,460
Unallocated Benefits	1,941,597	1,866,208	1,569,221	1,687,653	1,504,666	1,362,543	1,233,390	1,047,301	971,760	886,953
Capital Outlay	263,432	2,919	61,815	59,043	30,362	51,944	24,380	6,350	163,097	86,136
Debt Service:										
Principal	195,000	195,000	246,450	245,000	235,000	230,000	225,000	220,000	225,000	225,000
Interest & Other Charges	24,200	32,000	42,054	52,783	62,283	69,820	78,820	87,720	96,721	101,921
Total Expenditures	7,426,200	6,531,280	5,932,152	5,937,595	5,733,592	5,367,859	5,313,546	4,904,009	5,024,922	4,984,926
Excess (Deficiency) of Revenues Over/(Under) Expenditures	455,275	512,556	548,302	(98,294)	(94,453)	(104,951)	(59,952)	173,194	53,857	(78,703)
Other Financing Sources/(Uses):										
Prior year (receivable)/payable cancelled	-	-	-	-	-	-	-	-	-	(2)
Leases (non-budgeted)	38,483	-	-	-	-	-	-	-	-	-
Loan Proceeds (non-budgeted)	-	-	41,920	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	38,483	-	41,920	-	-	-	-	-	-	(2)
Net Change in Fund Balances	\$ 493,758	\$ 512,556	\$ 590,222	\$ (98,294)	\$ (94,453)	\$ (104,951)	\$ (59,952)	\$ 173,194	\$ 53,857	\$ (78,705)
Debt Service as a Percentage of Noncapital Expenditures	3.16%	3.60%	5.17%	5.34%	5.50%	5.98%	6.09%	6.70%	7.09%	7.15%

Source: District records

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	Local Grant	Unemployment	Refunds	Tuition	Miscellaneous	TOTAL
2023	\$ 3,500	\$ 1,706	\$ 8,318	\$ -	\$ 12,269	\$ 25,793
2022	1,000	8,195	-	-	5,859	15,054
2021	-	-	-	-	13,785	13,785
2020	-	-	-	55,133	7,696	62,829
2019	-	-	-	48,968	2,118	51,086
2018	-	-	164	17,509	7,675	25,348
2017	4,715	-	363	87,580	2,360	95,018
2016	-	-	-	30,790	4,325	35,115
2015	-	-	-	49,979	10,831	60,810
2014	-	-	17,967	44,214	21,585	83,766

Source: District records

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUN 30,	VACANT LAND	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2023	\$ 2,295,300	\$ 151,193,300	\$ 6,780,800	\$ 166,300	\$ 709,100	\$ 161,144,800	\$ 297,830	\$ 161,442,630	1.472	\$ 192,891,825
2022	2,370,200	150,389,400	6,780,800	166,300	709,100	160,415,800	325,351	160,741,151	1.452	160,415,600
2021	2,219,600	148,806,100	6,800,100	166,300	709,100	158,701,200	342,774	159,043,974	1.449	159,174,774
2020	2,263,500	148,945,300	6,043,100	166,300	709,100	158,127,300	354,579	158,481,879	1.434	159,128,593
2019	2,194,300	148,823,300	5,993,100	166,300	709,100	157,886,100	355,082	158,241,182	1.408	158,666,764
2018	2,194,800	148,996,700	6,060,700	166,300	709,100	158,127,600	366,124	158,493,724	1.363	155,870,012
2017	2,195,500	149,215,800	6,169,400	166,300	745,600	158,492,600	361,232	158,853,832	1.339	150,388,319
2016	2,195,500	149,475,000	6,232,100	166,300	745,600	158,814,500	359,196	159,173,696	1.312	158,100,720
2015	2,238,000	149,817,400	5,876,700	166,300	579,800	158,678,200	356,578	159,034,778	1.295	162,601,818
2014	3,301,600	165,387,600	7,532,000	209,400	607,300	177,037,900	393,301	177,431,201	1.132	174,814,958

Source: County Board of Taxation - Abstract of Ratables

N/A - Not Available

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUN 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	Basic Rate	TOTAL	BOROUGH OF NATIONAL PARK	GATEWAY REGIONAL HIGH SCHOOL	ALL GLOUCESTER COUNTY	
		DIRECT				
2023	1.472	1.472	0.994	1.499	0.716	4.681
2022	1.452	1.452	0.974	1.459	0.745	4.630
2021	1.449	1.449	0.932	1.346	0.773	4.500
2020	1.434	1.434	0.916	1.294	0.735	4.379
2019	1.408	1.408	0.905	1.316	0.732	4.361
2018	1.363	1.363	0.893	1.264	0.710	4.230
2017	1.339	1.339	0.883	1.159	0.683	4.064
2016	1.312	1.312	0.873	1.138	0.699	4.022
2015	1.295	1.295	0.901	1.139	0.676	4.011
2014	1.132	1.132	0.844	1.077	0.639	3.692

Source: Municipal Tax Collector

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2023		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Exchangeright Net-Leased Portfolio	\$ 937,000	1	0.58%
Lakehurst NP, LLC	772,500	2	0.48%
Taxpayer #1	599,500	3	0.37%
Taxpayer #2	578,900	4	0.36%
Taxpayer #3	527,700	5	0.33%
Fulton Bank, NA	493,800	6	0.31%
Taxpayer #4	428,500	7	0.27%
Taxpayer #5	421,500	8	0.26%
VRH NP, LLC	380,600	9	0.24%
PSE&G Power, LLC	373,800	10	0.23%
Total	<u>\$ 5,513,800</u>		<u>3.42%</u>

TAXPAYER	2014		
	TAXABLE ASSESSED VALUE	RANK (OPTIONAL)	% OF TOTAL DISTRICT NET ASSESSED VALUE
Taxpayer #1	\$ 599,500	1	0.34%
The Bank of Gloucester County	493,800	2	0.28%
Taxpayer #2	464,000	3	0.26%
Taxpayer #3	454,100	4	0.26%
Federal National Mtg. Assn.	423,500	5	0.24%
Taxpayer #4	421,500	6	0.24%
Taxpayer #5	383,400	7	0.22%
Taxpayer #6	380,600	8	0.21%
PSE&G Power, LLC	373,800	9	0.21%
Verizon New Jersey	356,578	10	0.20%
Total	<u>\$ 4,350,778</u>		<u>2.45%</u>

Source: County Tax Assessor

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2023	\$ 2,334,101	\$ 2,334,101	100.00%	-
2022	2,295,123	2,295,123	100.00%	-
2021	2,305,685	2,305,685	100.00%	-
2020	2,271,536	2,271,536	100.00%	-
2019	2,227,952	2,227,952	100.00%	-
2018	2,161,615	2,161,615	100.00%	-
2017	2,126,782	2,126,782	100.00%	-
2016	2,088,593	2,088,593	100.00%	-
2015	2,059,875	2,059,875	100.00%	-
2014	2,010,109	2,010,109	100.00%	-

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	BOND ANTICIPATION NOTES (BANs)			
2023	\$ 410,000	-	\$ 410,000	Unavailable	Unavailable
2022	605,000	-	605,000	Unavailable	198
2021	800,000	-	800,000	0.42%	260
2020	1,046,450	-	1,046,450	0.59%	355
2019	1,291,450	-	1,291,450	0.77%	439
2018	1,526,450	-	1,526,450	0.94%	516
2017	1,756,450	-	1,756,450	1.12%	593
2016	1,981,450	-	1,981,450	1.31%	666
2015	2,201,450	-	2,201,450	1.48%	737
2014	2,426,450	-	2,426,450	1.71%	810

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	<u>GENERAL BONDED DEBT OUTSTANDING</u>		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2023	\$ 410,000	\$ 410,000	0.25%	Unavailable
2022	605,000	605,000	0.38%	198
2021	800,000	800,000	0.50%	260
2020	1,046,450	1,046,450	0.66%	355
2019	1,291,450	1,291,450	0.82%	439
2018	1,526,450	1,526,450	0.96%	516
2017	1,756,450	1,756,450	1.11%	593
2016	1,981,450	1,981,450	1.24%	666
2015	2,201,450	2,201,450	1.38%	737
2014	2,426,450	2,426,450	1.37%	810

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2023**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
National Park Borough	\$ 300,000	100.00%	\$ 300,000
Gateway Regional School District	2,600,000	18.14%	471,737
Gloucester County	151,050,000	0.40%	597,252
Subtotal, overlapping debt			1,368,989
National Park Borough School District Direct Debt			410,000
Total Overlapping Debt			\$ 1,368,989

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Taxation.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt Limit	\$4,387,487	\$ 4,158,482	\$ 4,025,745	\$ 4,007,146	\$ 3,937,328	\$ 3,868,895	\$ 3,860,874	\$ 3,916,457	\$ 4,120,928	\$ 4,333,681
Total Net Debt Applicable to Limit	410,000	605,000	800,000	1,046,450	1,291,450	1,526,450	1,756,450	1,981,450	2,201,450	2,426,450
Legal Debt Margin	<u>\$3,977,487</u>	<u>\$ 3,553,482</u>	<u>\$ 3,225,745</u>	<u>\$ 2,960,696</u>	<u>\$ 2,645,878</u>	<u>\$ 2,342,445</u>	<u>\$ 2,104,424</u>	<u>\$ 1,935,007</u>	<u>\$ 1,919,478</u>	<u>\$ 1,907,231</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	9.34%	14.55%	19.87%	26.11%	32.80%	39.45%	45.49%	50.59%	53.42%	55.99%

Legal Debt Margin Calculation

	Equalized Valuation Basis
Average Equalized Valuation of Taxable Property	2022 \$ 191,564,127
	2021 174,305,531
	2020 160,628,745
	<u>\$ 526,498,403</u>
Debt Limit (2.5% of Average Equalization Value)	4,387,487
Net Bonded School Debt	<u>410,000</u>
Legal Debt Margin	<u>\$ 3,977,487</u>

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME(b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2022	3,054	Unavailable	Unavailable	4.4%
2021	3,074	192,287,922	62,553	7.3%
2020	2,949	178,078,314	60,386	11.5%
2019	2,945	167,432,085	56,853	4.7%
2018	2,957	161,588,222	54,646	5.7%
2017	2,964	156,288,756	52,729	7.0%
2016	2,973	150,992,724	50,788	7.0%
2015	2,989	148,320,158	49,622	8.0%
2014	2,994	141,933,564	47,406	9.3%
2013	3,001	137,880,945	45,945	12.6%

Source:

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

^b Personal income is estimated - population times estimated per capita personal income.

^c Per Capita Per County from US Bureau of Economic Analysis

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

EMPLOYER	2023		
	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT
Rowan University	3,500	1	N/A
Inspira Medical Center, Woodbury	1,222	2	N/A
Walmart Supercenter	800	3	N/A
Jefferson Health, Washington Township	670	4	N/A
Aryzta LA Brea Bakery, Inc.	500	5	N/A
Keller Williams Realty	500	6	N/A
Honda of Turnersville	499	7	N/A
Paulsboro Refinery, LLC Ap	402	8	N/A
Washington Township High School	400	9	N/A
Johnson Matthey, Inc.	379	10	N/A
	8,872		

EMPLOYER	2014		
	EMPLOYEES	RANK (OPTIONAL)	PERCENTAGE OF TOTAL EMPLOYMENT
Inspira Health	1,825	1	Unavailable
Kennedy Memorial Hospital	1,675	2	Unavailable
Washington Township School District	1,598	3	Unavailable
Rowan University	1,483	4	Unavailable
County of Gloucester	1,425	5	Unavailable
Missa Bay, LLC	950	6	Unavailable
Monroe Township School District	792	7	Unavailable
U.S Foodservices	725	8	Unavailable
ExxonMobil Research & Engineering	540	9	Unavailable
LaBrea Bakery	525	10	Unavailable
	11,538		

Source: Information provided by the Gloucester County Office of Economic Development and Employer Directly.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Instruction:										
Regular	26.1	24.0	23.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Special Education	9.0	9.0	8.0	10.0	9.0	9.0	10.0	8.0	8.0	6.0
Support Services:										
Student & Instruction Related Services	23.0	23.0	20.0	23.0	23.0	24.0	22.0	19.0	17.0	16.0
General & Business Administrative Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total	59.1	57.0	52.0	54.0	53.0	54.0	53.0	48.0	46.0	43.0

Source: District Personnel Records

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO	AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
2023	291	\$ 6,943,568	\$ 23,861	-2.25%	35	8.3	288.7	268.5	-0.82%	92.99%
2022	283	6,908,034	24,410	31.63%	33	8.6	291.1	272.5	-1.17%	93.63%
2021	301	5,581,833	18,544	-2.31%	31	9.7	294.6	281.2	1.92%	95.48%
2020	294	5,580,769	18,982	-0.63%	30	9.8	289.0	279.0	7.04%	96.54%
2019	283	5,405,947	19,102	6.63%	29	9.8	270.0	257.0	-0.74%	95.19%
2018	280	5,016,095	17,915	-2.62%	29	9.7	272.0	256.0	4.21%	94.12%
2017	271	4,985,346	18,396	15.03%	30	9.0	261.0	244.0	-4.04%	93.49%
2016	287	4,589,939	15,993	-0.31%	28	10.3	272.0	254.0	0.37%	93.38%
2015	283	4,540,104	16,043	1.76%	28	10.1	271.0	254.0	-0.37%	93.73%
2014	290	4,571,869	15,765	-1.83%	26	11.2	272.0	255.0	6.67%	93.75%

Sources: District records

- a. Operating expenditures equal total expenditures less debt service and capital outlay.
- b. Teaching staff includes only full-time equivalents of certificated staff.
- c. Enrollment based on June enrollment figures

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Elementary Schools:										
Elementary School:										
Square Feet	52,073	52,073	52,073	52,073	52,073	52,073	52,073	52,073	52,073	52,073
Capacity (Students)	394	394	394	394	394	394	394	394	394	394
Enrollment	291	283	301	294	283	280	271	287	283	290

Number of Schools at June 30, 2023:

Elementary = 1

Source: District Facilities Office

Enrollment is based on the June district count.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

ELEMENTARY
SCHOOL

2023	\$ 67,886
2022	68,358
2021	136,534
2020	89,597
2019	126,581
2018	115,474
2017	102,822
2016	100,958
2015	88,767
2014	94,787

Source: District records

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
INSURANCE SCHEDULE**

I. Property, Inland Marine and Automobile Physical Damages	
A. Limit of Liability	\$175,000,00 Per Occurrence
1. GCSSD JIF Self Insurance Retention	\$250,000 Per Occurrence
2. Member District Deductible	\$500 Per Occurrence
3. Perils Incurred	"All Risk"
B. Property Valuation	
1. Building and Contents	Replacement Cost
2. Contractors Equipment	Actual Cash Value
3. Automobiles	Replacement Cost
II. Boiler and Machinery	
A. Limit of Liability	\$125,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible	\$1,000
III. Crime	
A. Limit of Liability	\$500,000
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	\$500
IV. General and Automobile Liability	
A. Limit of Liability	\$20,000,000
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	None
V. Workers' Compensation	
A. Limit of Liability	Statutory
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	None
VI. Educator's Legal Liability	
A. Limit of Liability	\$20,000,000
1. GCSSD JIF Self Insurance Retention	\$250,000
2. Member District Deductible	None
VII. Pollution Legal Liability	
A. Limit of Liability	\$3,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible - Pollution Incident	\$25,000
3. Member District Deductible - Mold Incident	\$100,000-\$250,000
VIII. Cyber Liability (Please see Certificate of Coverage for Covered Districts)	
A. Limit of Liability	\$2,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible	\$50,000-\$100,000
IX. Crisis Protection & Disaster Management Services	
A. Limit of Liability	\$1,000,000
1. GCSSD JIF Self Insurance Retention	None
2. Member District Deductible	\$10,000
Public employees' faithful performance bonds -	
Hardenburgh Insurance	
Surety Bond - Treasurer of School Monies	\$170,000
Surety Bond - Business Administrator	\$5,000

Source: District records.

SINGLE AUDIT SECTION

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HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
National Park Borough School District
County of Gloucester
National Park, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the National Park Borough School District (the "School District") as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 24, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

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Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC.
Certified Public Accountants & Advisors

David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 24, 2024



HOLT MCNALLY & ASSOCIATES

Certified Public Accountants & Advisors

EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
National Park Borough School District
County of Gloucester
National Park, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the National Park Borough School District’s (the “School District”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major state programs for the fiscal year ended June 30, 2023. The School District’s major 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 School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major 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; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our 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 state program. Our audit does not provide a legal determination of the School District’s compliance with the compliance requirements referred to above.

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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 School District's 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 School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. 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, individual or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted accounting standards, *Government Auditing Standards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, 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 School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, but not for the purpose of expressing an opinion on the effectiveness of School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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

Respectfully Submitted,

HOLT MCNALLY & ASSOCIATES, INC
Certified Public Accountants & Advisors

David McNally
Certified Public Accountant
Public School Accountant, No. 2616

Medford, New Jersey
January 24, 2024

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NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2023

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	SUBRECIPIENT EXPENDITURES	BALANCE AT JUNE 30, 2023
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH STATE DEPARTMENT OF EDUCATION:										
Title I, Part A	84.010	S010A220030	100-034-5064-194	\$ 48,970	7/1/22-9/30/23	\$ -	\$ 17,240	\$ (40,570)	\$ -	\$ (23,330)
Title I, Part A	84.010	S010A210030	100-034-5064-194	63,913	7/1/21-9/30/22	(63,913)	63,913	-	-	-
Title I, SIA	84.010	S010A220030	100-034-5064-194	37,300	7/1/22-9/30/23	-	11,078	(17,566)	-	(6,488)
Title I, SIA	84.010	S010A210030	100-034-5064-194	39,028	7/1/21-9/30/22	(39,028)	39,028	-	-	-
						(102,941)	131,259	(58,136)	-	(29,818)
Title II - Part A, Supporting Effective Instruction	84.367	S367A220029	100-034-5063-290	12,360	7/1/22-9/30/23	-	1,346	(3,213)	-	(1,867)
Title II - Part A, Supporting Effective Instruction	84.367	S367A210029	100-034-5063-290	9,893	7/1/21-9/30/22	(4,279)	4,279	-	-	-
						(4,279)	5,625	(3,213)	-	(1,867)
Title IV - Part A	84.424	S424A220031	100-034-5064-348	10,000	7/1/22-9/30/23	-	-	(4,867)	-	(4,867)
Title IV - Part A	84.424	S424A210031	100-034-5064-348	10,456	7/1/21-9/30/22	(10,456)	10,456	-	-	-
						(10,456)	10,456	(4,867)	-	(4,867)
Education Stabilization Fund:										
COVID-19 CARES Emergency Relief	84.425D	S425D200027	100-034-5120-513	62,958	3/13/20-9/30/22	(38,555)	44,034	(5,479)	-	-
COVID-19 CRRSA - ESSER II	84.425D	S425D210027	100-034-5120-518	247,032	3/13/20-9/30/23	(142,571)	243,650	(113,636)	-	(12,557)
COVID-19 CRRSA - Learning Acceleration	84.425D	S425D210027	100-034-5120-518	25,000	3/13/20-9/30/23	(15,467)	18,941	(10,275)	-	(6,801)
COVID-19 CRRSA - Mental Health	84.425D	S425D210027	100-034-5120-518	45,000	3/13/20-9/30/23	(6,559)	15,499	(22,569)	-	(13,629)
COVID-19 ARP - ESSER III	84.425U	S425U210027	100-034-5120-523	555,189	3/13/20-9/30/24	(42,719)	100,376	(222,005)	-	(164,348)
COVID-19 ARP - Accel. Learning	84.425U	S425U210027	100-034-5120-523	50,000	3/13/20-9/30/24	-	1,979	(7,167)	-	(5,188)
COVID-19 ARP - Summer Learning	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	-	1,680	(14,479)	-	(12,799)
COVID-19 ARP - Beyond the School Day	84.425U	S425U210027	100-034-5120-523	40,000	3/13/20-9/30/24	(1,631)	1,756	(605)	-	(480)
COVID-19 ARP - Mental Health	84.425U	S425U210027	100-034-5120-523	45,000	3/13/20-9/30/24	(247,502)	427,915	(398,115)	-	(217,702)
Special Education Cluster:										
I.D.E.A. Part B, Basic Regular	84.027	H027A220100	100-034-5065-016	133,275	7/1/22-9/30/23	-	73,051	(126,973)	-	(53,922)
I.D.E.A. Part B, Basic Regular	84.027	H027A210100	100-034-5065-016	102,243	7/1/21-9/30/22	(11,068)	11,068	-	-	-
COVID-19 ARP - I.D.E.A. Basic	84.027X	H027X210100	100-034-5065-094	15,209	7/1/21-9/30/22	(2,309)	2,309	(6,000)	-	(6,000)
						(13,377)	86,428	(132,973)	-	(59,922)
I.D.E.A. Preschool	84.173A	H173A220114	100-034-5065-020	3,728	7/1/22-9/30/23	-	3,569	(3,569)	-	-
I.D.E.A. Preschool	84.173A	H173A210114	100-034-5065-020	4,335	7/1/21-9/30/22	(2,776)	2,776	-	-	-
COVID-19 ARP - I.D.E.A. Preschool	84.173X	H173X210114	100-034-5065-094	1,292	7/1/21-9/30/22	(1,292)	1,292	-	-	-
						(4,068)	7,637	(3,569)	-	-
Total Special Education Cluster:						(17,445)	94,065	(136,542)	-	(59,922)
Total Special Revenue Fund						(382,623)	669,320	(600,873)	-	(314,176)
Total Federal Financial Assistance						\$(382,623)	\$ 669,320	\$(600,873)	\$ -	\$(314,176)

NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2023

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE			MEMO		
				JUNE 30, 2022	CASH RECEIVED	BUDGETARY EXPENDITURES	BALANCE JUNE 30, 2023 (ACCOUNTS UNREARNED REVENUE)	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:									
General Fund:									
State Aid Public:									
Equalization Aid	495-034-5120-078	\$2,637,269	7/1/22-6/30/23	\$ -	\$ 2,637,269	\$ (2,637,269)	\$ -	\$ 251,824	\$ 2,637,269
Security Aid	495-034-5120-084	63,683	7/1/22-6/30/23	-	63,683	(63,683)	-	6,081	63,683
Special Education Categorical Aid	495-034-5120-089	152,723	7/1/22-6/30/23	-	152,723	(152,723)	-	14,583	152,723
Total State Aid Public				-	2,853,675	(2,853,675)	-	272,488	2,853,675
Transportation Aid	495-034-5120-014	15,950	7/1/22-6/30/23	-	15,950	(15,950)	-	1,523	15,950
Additional Nonpublic School Transportation Aid	495-034-5120-014	3,744	7/1/22-6/30/23	-	-	(3,744)	-	-	3,744
Additional Nonpublic School Transportation Aid	495-034-5120-014	3,190	7/1/21-6/30/22	(3,190)	3,190	-	(3,744)	-	-
Extraordinary Aid	495-034-5120-044	99,777	7/1/22-6/30/23	-	-	(99,777)	-	-	99,777
Extraordinary Aid	495-034-5120-044	51,841	7/1/21-6/30/22	(51,841)	51,841	-	(99,777)	-	-
State Reimb. For Lead Testing of Drinking Water	495-034-5120-104	1,398	7/1/22-6/30/23	-	1,398	(1,398)	-	-	1,398
Reimbursed TPAF Social Security Contributions	495-034-5094-003	178,786	7/1/22-6/30/23	-	160,831	(178,786)	(17,955)	-	178,786
Reimbursed TPAF Social Security Contributions	495-034-5094-003	163,708	7/1/21-6/30/22	(8,326)	8,326	-	-	-	-
On-Behalf TPAF Pension Contributions (Noncash Assistance)	495-034-5094-002	775,735	7/1/22-6/30/23	-	775,735	(775,735)	-	-	775,735
On-Behalf TPAF Post-Retirement	495-034-5094-001	203,784	7/1/22-6/30/23	-	203,784	(203,784)	-	-	203,784
Medical Contributions (Noncash Assistance)	495-034-5094-001	203,784	7/1/22-6/30/23	-	203,784	(203,784)	-	-	203,784
On-Behalf TPAF Long-Term Disability Insurance Contributions (Noncash Assistance)	495-034-5094-004	464	7/1/22-6/30/23	-	464	(464)	-	-	464
Total General Fund				(63,357)	4,075,194	(4,133,313)	(121,476)	274,011	4,133,313
Special Revenue Fund									
Preschool Education Aid	100-010-3350-023	729,486	7/1/22-6/30/23	-	729,486	(40,650)	-	688,836	72,949
Preschool Education Aid	100-010-3350-023	676,005	7/1/21-6/30/22	633,277	-	(633,277)	-	-	633,277
Total Preschool Education Aid				633,277	729,486	(673,927)	-	688,836	72,949
SDA Emergent & Capital Needs Aid	100-034-5120-086	12,266	7/1/22-6/30/23	-	12,266	(12,266)	-	-	12,266
Total SDA Emergent & Capital Needs Aid				-	12,266	(12,266)	-	-	12,266
Department of Community Affairs									
Passed through County of Gloucester:									
Municipal Alliance	Unavailable	750	7/1/11-6/30/12	53	-	-	-	53	-
Municipal Alliance	Unavailable	600	7/1/10-6/30/11	600	-	-	-	600	-
Municipal Alliance	Unavailable	2,400	7/1/09-6/30/10	132	-	-	-	132	-
Total Municipal Alliance				785	-	-	-	785	-
Total Special Revenue Fund				634,062	741,752	(686,193)	-	689,621	72,949
NI School Development Authority									
Capital Projects Fund	3490-050-10-1001	599,950	12/14/10-end	(561,674)	-	-	(561,674)	-	-
SDA Grant				(561,674)	-	-	(561,674)	-	-
Total Capital Projects Fund									
Debt Service Fund									
Debt Service Aid Type II	100-034-5120-125	96,191	7/1/22-6/30/23	-	96,191	(96,191)	-	-	96,191
Total Debt Service Fund				-	96,191	(96,191)	-	-	96,191
Total State Financial Assistance				\$ 9,031	\$ 4,913,137	\$ (4,915,697)	\$ (683,150)	\$ 689,621	\$ 346,960
Total State Financial Assistance Programs not subject to Calculation for Major Program Determination:									
On-Behalf TPAF Pension Contributions	495-034-5094-001		7/1/22-6/30/23		\$	\$ 775,735			
On-Behalf TPAF Post-Retirement Medical Contributions	495-034-5094-002		7/1/22-6/30/23			203,784			
On-Behalf TPAF Long-Term Disability Insurance Contributions	495-034-5120-004		7/1/22-6/30/23			464			
Total State Financial Assistance Subject to Major Program Determination						\$ (3,935,714)			

The Accompanying Notes to Schedule of Expenditures Federal Awards and State Financial Assistance are an Integral Part of this schedule.

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the National Park Borough School District. The School District is defined in Note 1 of the basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from 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. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2023. TPAF Social Security Contributions represents 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.

Note 3. Relationship to Basic Financial Statements

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

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note 3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$12,002) for the general fund and (\$42,605) for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 4,121,311	\$ 4,121,311
Special Revenue Fund	570,267	674,194	1,244,461
Debt Service Fund	-	96,191	96,191
	<hr/>	<hr/>	<hr/>
Total Awards & Financial Assistance	<u>\$ 570,267</u>	<u>\$ 4,891,696</u>	<u>\$ 5,461,963</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. Federal and State Loans Outstanding

The National Park Borough School District had no loan balances outstanding as of June 30, 2023.

Note 6. On-Behalf Programs Not Subject to State Single Audit Major Program Determination

On-behalf State Programs for the TPAF Pension and Post-Retirement Medical Benefits Contributions are excluded from State single audit major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the School District's financial statements and the amounts subject to State single audit and major program determination.

**NATIONAL PARK BOROUGH 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

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

2) Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards - NOT APPLICABLE

Internal control over major programs:

1) Material weakness(es) identified? yes no

2) Significant deficiency(ies) identified? yes none reported

Type of auditor's report issued on compliance for major programs _____

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200 section .516(a) of Uniform Guidance? yes no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
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NOT APPLICABLE

Dollar threshold used to determine Type A programs _____

Auditee qualified as low-risk auditee? yes no

**NATIONAL PARK BOROUGH 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 Financial Assistance

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

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

Internal control over major programs:

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

2) Significant deficiency(ies) identified? _____ yes X no

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

Any audit findings disclosed that are required to be reported
in accordance with New Jersey OMB's Circular 15-08? _____ yes X no

Identification of major programs:

State Grant/Project Number(s)

Name of State Program

495-034-5120-078	State Aid Public: Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-089	Special Education Categorical Aid

**NATIONAL PARK BOROUGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

None.

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS – N/A

STATE FINANCIAL ASSISTANCE

None.

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

This section identifies the status of prior year findings related to the financial statements, federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

Finding 2022-001

Condition:

The school district has an accounts receivable balance of \$599,550 in the Capital Projects Fund that has been outstanding for over 5 years.

Current Status:

Collection has been made subsequent to the current year ended. The condition has been corrected.

Federal Awards – Not applicable

State Financial Assistance – None