

SCHOOL DISTRICT  
OF  
ROCHELLE PARK

Rochelle Park School District  
Board of Education  
Rochelle Park, New Jersey

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

Annual Comprehensive  
Financial Report

of the

Rochelle Park School District  
Board of Education

Rochelle Park, New Jersey

For Fiscal Year Ended June 30, 2023

Prepared by

Rochelle Park School District  
Board of Education

ROCHELLE PARK SCHOOL DISTRICT  
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INTRODUCTORY SECTION  
(UNAUDITED)



# Rochelle Park School District

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**Dr. Sue DeNobile**  
SUPERINTENDENT  
[sdenobile@rochellepark.org](mailto:sdenobile@rochellepark.org)

**Dr. James Riley**  
BUSINESS ADMINISTRATOR  
BOARD SECRETARY  
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December 21, 2023

The Honorable President and  
Members of the Board of Education  
of the Rochelle Park School District  
County of Bergen  
Rochelle Park, New Jersey 07662

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Rochelle Park School District (the “District”) for the fiscal year ended June 30, 2023 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Rochelle Park School District (the “Board”). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. **REPORTING ENTITY AND ITS SERVICES:** Rochelle Park School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) Codification Section 2100. All funds of the District are included in this report. The Rochelle Park Board of Education and its school constitute the District's reporting entity.

The District continues to provide a full range of educational opportunities and services appropriate to grade levels preschool through grade 8 and has a send/receive relationship with Hackensack Public Schools for students in grades 9 through 12 for both regular and special education students.

The District completed the 2022/2023 fiscal year with an average daily enrollment of 493 students consistent with the previous year's average daily enrollment.

2. ECONOMIC CONDITONS AND MAJOR INITIATIVES: The District has worked to expand course offerings as well as make improvements to its physical and technological infrastructure. During the academic year, the District opened a new STEAM Lab classroom, outdoor pavilion/classroom, and new multi-use basketball/pickleball/foursquare courts.

The District continues to foster initiatives in character education, support the mental and physical health of staff and students through Wellness events, and strengthen the home/school connection through the expansion of the Special Education Parent Advisory Group and support of the PTO. The District also serves as a hub of the community through support of local programs and events. As such, the District has expanded co-curricular and athletic offerings including soccer and basketball teams and Special Olympics bocce ball.

The District has worked to update all curriculum documents to ensure alignment with the New Jersey Student Learning Standards, as well as multiple accommodations/modifications, interdisciplinary connections, and assessments for each grade level and content area. Professional development days are planned to support the professional growth of the faculty through topics such as: enhancing instruction through technology and resources, increasing rigor in the classroom, fostering student engagement, best practices in pedagogy, and assessment in the blended classroom. The District continues to work with a teaching consultant to provide professional development on the Reader's and Writer's workshop model, as well instructional strategies in math for all teachers K-8.

Personnel needs of the District are addressed based upon demographics, class size, and related programming, supports and services with a focus on the recruitment and retention of highly qualified staff to fulfill mandated requirements.

3. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP).

The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management.

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



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

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

5. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements", Note 1.
6. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
7. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to general liability, excess liability, auto liability and comprehensive/collision, hazard and theft insurance on property and contents, workers' compensation, and fidelity bonds. A schedule of insurance coverage is found on Exhibit J-20.
8. OTHER INFORMATION: **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

The Honorable President and Members  
of the Board of Education  
Rochelle Park School District  
Page 4  
December 21, 2023

9. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Rochelle 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,

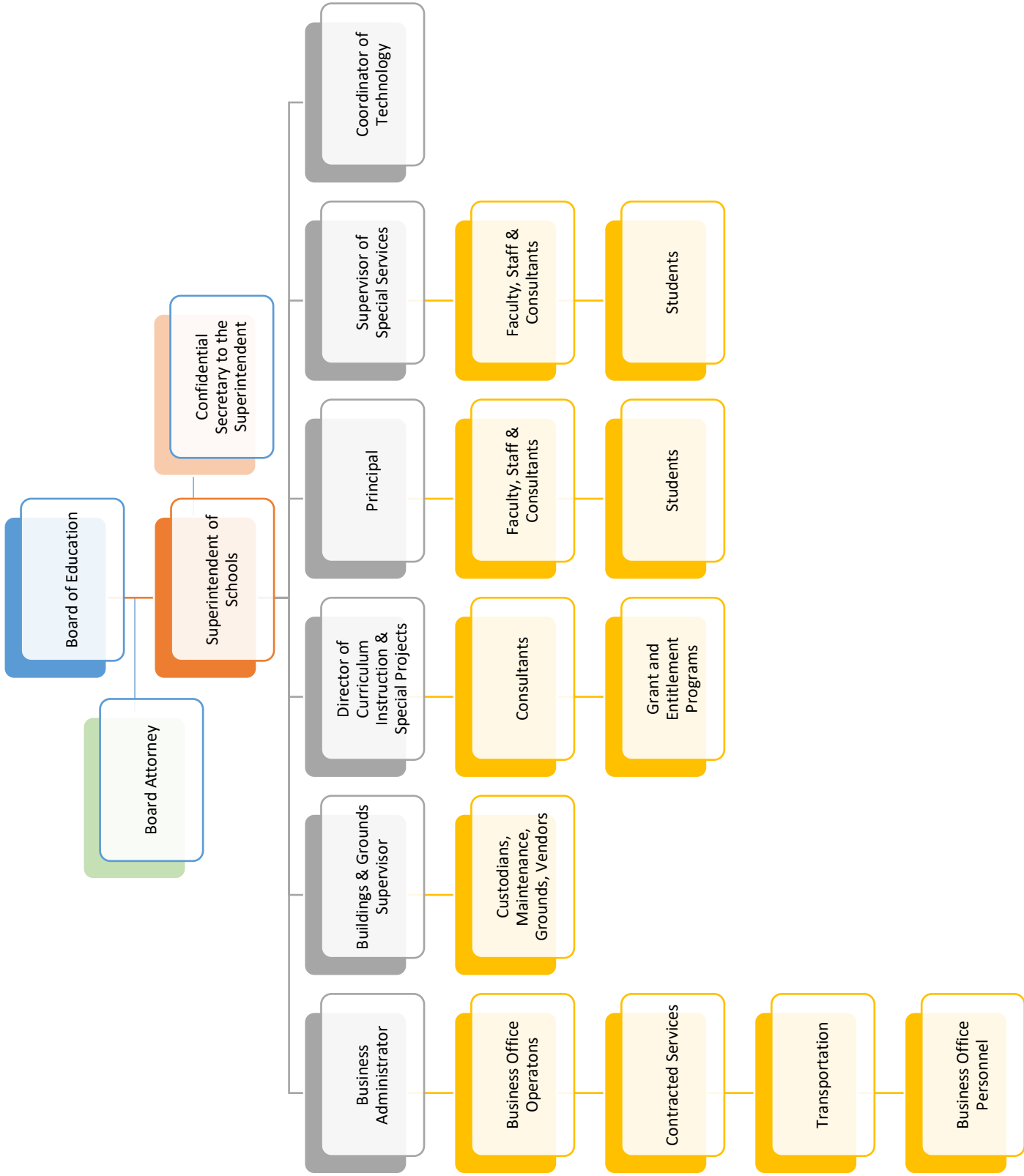


Dr. Sue DeNobile  
Superintendent of Schools



Dr. James Riley  
Business Administrator/Board Secretary

# ROCHELLE PARK SCHOOL DISTRICT ORGANIZATIONAL CHART



**ROCHELLE PARK SCHOOL DISTRICT**  
**ROSTER OF OFFICIALS**  
**JUNE 30, 2023**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Matt Trawinski, President	2025
Scott Kral, Vice President	2023
Teresa Judge-Cravello	2024
Joseph Marolda	2023
Jorge Martinez, Jr.	2024
Elaine Rainone	2025
Charles Schaadt	2023

<u>Other Officials</u>	<u>Title</u>
Dr. Sue DeNobile	Superintendent of Schools
Dr. James Riley	Business Administrator/Board Secretary
Ellen Kobylarz	Recording Secretary
Mark Jacobus	Treasurer of School Monies
Matthew J. Giacobbe	Board Attorney

# **ROCHELLE PARK SCHOOL DISTRICT**

Consultants and Advisors  
Fiscal Year Ended June 30, 2023

## **Audit Firm**

Nisivoccia LLP  
Mount Arlington Corporate Center  
200 Valley Road Suite 300  
Mount Arlington, New Jersey 07856

## **Attorney**

Matthew J. Giacobbe  
Cleary|Giacobbe|Alfieri|Jacobs LLC  
169 Ramapo Valley Road  
Upper Level Suite 105  
Oakland, New Jersey 07436

## **Architect**

LAN Associates  
445 Godwin Ave, Suite 9  
Midland Park, New Jersey 07432

## **Official Depository**

Capital One Bank  
Government Banking  
499 Thornall Street – 11th Floor  
Edison, New Jersey 08837

FINANCIAL SECTION

## Independent Auditors' Report

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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

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

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

***Required Supplementary Information***

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



***Supplementary Information***

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

***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

December 21, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*

Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION -  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

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

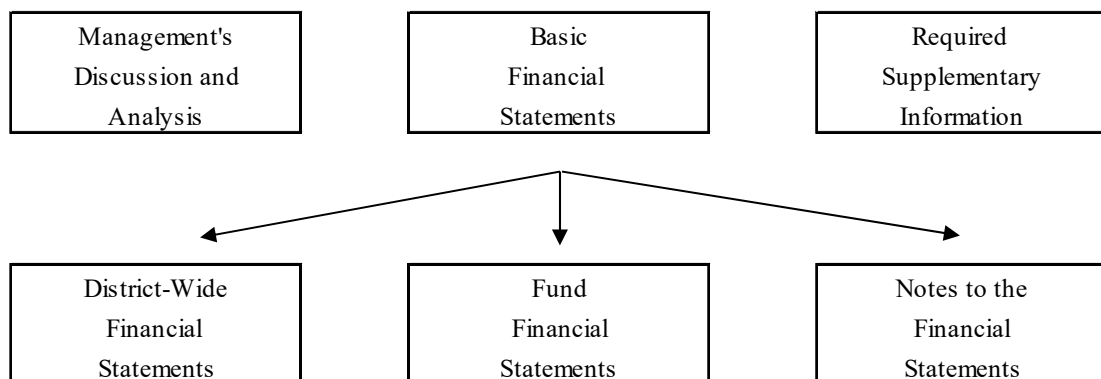
**Overview of the Financial Statements**

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

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

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

**Figure A-1  
Organization of Rochelle Park School District's Financial Report**



**Rochelle Park School District  
Management’s Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

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

**Figure A-2  
Major Features of the District-Wide and Fund Financial Statements**

	<b>Fund Financial Statements</b>		
	District-Wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire district	The activities of the district that are not proprietary, such as special education and building	Activities the district operates similar to private businesses; food services and care program
Required Financial Statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenue, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Revenue Expenses, and Changes in Net Position</li> <li>• Statement of Cash Flows</li> </ul>
Accounting basis and measurement focus	Accrual Accounting and Economic Resources focus	Modified Accrual Accounting and Current Financial Focus	Accrual Accounting and Economic Resources focus
Type of Asset/Liability Information	All Assets and Liabilities, both Financial and Capital, Short-Term and Long-Term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets, lease assets, subscription assets or long-term liabilities included	All assets and liabilities, both financial and capital, short-term and long-term
Type of Inflow/Outflow Information	All Revenue and Expenses during the year, regardless of when Cash is Received or Paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All Revenue and Expenses during the year, regardless of when cash is received or paid

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

**District-Wide Statements**

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

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

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

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

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

**Fund Financial Statements**

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

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

The District has two kinds of funds:

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

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

**Notes to the Basic Financial Statements**

The notes provide basic information that is essential to a full understanding of the data provided in the District-wide and Fund financial statements. Those notes to the basic financial statements can be found immediately following the Fund financial statements.

**Financial Analysis of the District as a Whole**

*Net Position.* The District's net position is shown in Figure A-3.

**Figure A-3**

**Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2023	2022	2023	2022	2023	2022	
Current and Other Assets	\$ 3,947,434	\$ 3,450,187	\$ 149,720	\$ 129,481	\$ 4,097,154	\$ 3,579,668	
Capital Assets, Net	9,683,304	9,387,983	28,493	32,450	9,711,797	9,420,433	
Lease Assets, Net	96,447	151,513			96,447	151,513	
Total Assets	<u>13,727,185</u>	<u>12,989,683</u>	<u>178,213</u>	<u>161,931</u>	<u>13,905,398</u>	<u>13,151,614</u>	5.73%
Deferred Outflows of Resources	<u>294,806</u>	<u>290,108</u>			<u>294,806</u>	<u>290,108</u>	1.62%
Other Liabilities	546,294	334,761	38,103	32,812	584,397	367,573	
Long-Term Liabilities	<u>5,829,395</u>	<u>6,049,905</u>			<u>5,829,395</u>	<u>6,049,905</u>	
Total Liabilities	<u>6,375,689</u>	<u>6,384,666</u>	<u>38,103</u>	<u>32,812</u>	<u>6,413,792</u>	<u>6,417,478</u>	-0.06%
Deferred Inflows of Resources	<u>224,618</u>	<u>656,312</u>			<u>224,618</u>	<u>656,312</u>	-65.78%
Net Position:							
Net Investment in Capital Assets	5,241,449	4,520,856	28,493	32,450	5,269,942	4,553,306	
Restricted	2,081,278	1,845,943			2,081,278	1,845,943	
Unrestricted/(Deficit)	<u>98,957</u>	<u>(127,986)</u>	<u>111,617</u>	<u>96,669</u>	<u>210,574</u>	<u>(31,317)</u>	
Total Net Position	<u>\$ 7,421,684</u>	<u>\$ 6,238,813</u>	<u>\$ 140,110</u>	<u>\$ 129,119</u>	<u>\$ 7,561,794</u>	<u>\$ 6,367,932</u>	18.75%

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

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

**Figure A-4**

**Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2023	2022	2023	2022	2023	2022	
Revenue:							
Program Revenue:							
Charges for Services	\$ 160,517	\$ 118,894	\$ 351,365	\$ 161,359	\$ 511,882	\$ 280,253	
Operating Grants and Contributions	4,058,457	3,404,600	138,877	366,223	4,197,334	3,770,823	
General Revenue:							
Property Taxes	13,621,106	12,755,154			13,621,106	12,755,154	
Unrestricted Federal & State Aid & Local Grants	246,926	161,782			246,926	161,782	
Other	81,332	163,659			81,332	163,659	
Total Revenue	<u>18,168,338</u>	<u>16,604,089</u>	<u>490,242</u>	<u>527,582</u>	<u>18,658,580</u>	<u>17,131,671</u>	8.91%
Expenses:							
Instruction	8,014,066	7,760,123			8,014,066	7,760,123	
Tuition	3,922,359	3,711,063			3,922,359	3,711,063	
Pupil & Instruction Services	1,778,440	1,535,814			1,778,440	1,535,814	
Administrative & Business	1,271,437	1,063,726			1,271,437	1,063,726	
Maintenance & Operations	958,930	259,315			958,930	259,315	
Transportation	719,361	668,596			719,361	668,596	
Other	220,472	313,953	479,251	453,678	699,723	767,631	
Total Expenses	<u>16,885,065</u>	<u>15,312,590</u>	<u>479,251</u>	<u>453,678</u>	<u>17,364,316</u>	<u>15,766,268</u>	10.14%
Other Items	<u>(100,402)</u>			<u>(947)</u>	<u>(100,402)</u>	<u>(947)</u>	-10502.11%
Increase/(Decrease) in Net Position	<u>\$ 1,182,871</u>	<u>\$ 1,291,499</u>	<u>\$ 10,991</u>	<u>\$ 72,957</u>	<u>\$ 1,193,862</u>	<u>\$ 1,364,456</u>	-12.50%

**Rochelle Park School District  
Management’s Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

**Governmental Activities**

As discussed elsewhere in this commentary, the financial position of the District is satisfactory given the significant inflationary pressures on goods and services, as well as rising transportation and insurance rates. However, maintaining existing programs as well as providing for a multitude of improved programs and services for special needs pupils place great demands on the District’s resources. Careful management of expenses remains essential for the District to sustain its financial health. Cost savings implemented or continued during the year include:

- Ongoing review of expenditures and audit of services
- A number of special needs students continue to be educated in programs within the District, in lieu of out-of-District placements that require payment of tuition, transportation costs, and extraordinary services. Rochelle Park School District has been commended for the growth of its inclusion programs.
- Rochelle Park School District leverages joint purchasing/cooperative agreements to maximize cost savings including custodial and teaching supplies and property/casualty insurance. The District also participates in an energy-purchasing consortium (ACES).

It is crucial that the District monitor its expenses carefully in light of the implementation of new activities and programs and associated costs.

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

**Figure A-5  
Net Cost of Governmental Activities**

	Total		Net	
	Cost of Services		Cost of Services	
	2023	2022	2023	2022
Instruction	\$ 8,014,066	\$ 7,760,123	\$ 4,105,545	\$ 4,519,518
Tuition	3,922,359	3,711,063	3,922,359	3,711,063
Pupil & Instruction Services	1,778,440	1,535,814	1,697,533	1,487,484
Administrative and Business	1,271,437	1,063,726	1,213,789	1,003,583
Maintenance & Operations	958,930	259,315	908,819	200,924
Transportation	719,361	668,596	597,574	552,571
Other	220,472	313,953	220,472	313,953
<b>Total</b>	<b>\$16,885,065</b>	<b>\$ 15,312,590</b>	<b>\$12,666,091</b>	<b>\$11,789,096</b>



**Rochelle Park School District  
Management’s Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

**Business-Type Activities**

Net position of the business-type activities increased by \$10,991 due primarily to an excess in CARE Program Fund fees over operating expenses offset by an excess in operating expenses over daily sales and subsidy reimbursements in the Food Service Fund. There was a significant decrease in federal and state subsidy reimbursements due to the cessation of the Seamless Summer Option program.

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

A challenging inflationary economic environment and loss of miscellaneous revenue had a direct impact upon the District’s sources of revenue. A significant increase in costs of goods and services including tuition and transportation, as well as increased insurance premiums compromise the District’s ability to generate surplus.

While an inflationary environment is forecast to continue for the next several years, the District must continue to practice sound fiscal management.

**General Fund Budgetary Highlights**

The 2022/2023 budget is reflective of the District’s desire to provide its students and staff with a safe and innovative learning environment that fosters the growth of all students while exercising fiscal responsibility through responsible budgeting, and prudent spending measures guided by strict internal controls, the District has been successful in maximizing its available resources.

**Capital Assets**

**Figure A-6  
Capital Assets (net of depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2023	2022	2023	2022	2023	2022	
Sites (Land)	\$ 15,740	\$ 15,740			\$ 15,740	\$ 15,740	
Construction in Progress	25,773	23,528			25,773	23,528	
Site Improvements	386,578	12,750			386,578	12,750	
Buildings & Building Improvements	8,705,966	8,723,865			8,705,966	8,723,865	
Machinery & Equipment	549,247	612,100	\$ 28,493	\$ 32,450	577,740	644,550	
<b>Total</b>	<b>\$ 9,683,304</b>	<b>\$ 9,387,983</b>	<b>\$ 28,493</b>	<b>\$ 32,450</b>	<b>\$ 9,711,797</b>	<b>\$ 9,420,433</b>	<b>3.09%</b>

During the fiscal year, the District’s governmental activities recorded \$693,678 in capital asset additions and depreciated \$333,579 of its capital assets and had deletions, net of accumulated depreciation of \$67,023. The District’s business-type activities depreciated \$3,957 of its equipment.

**Rochelle Park School District  
Management’s Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

**Long-Term Liabilities**

At year-end, the District had \$4,188,000 in general obligation bonds, as well as other long-term liabilities outstanding – a total decrease of \$220,510 from last year – as shown in Figure A-7. (More detailed information about the District’s long-term liabilities is presented in Note 7 to the financial statements.)

**Figure A-7**

**Outstanding Long-Term Liabilities**

	Total School District		Total
	2023	2022	Percentage Change 2022-2023
General Obligation Bonds	\$4,188,000	\$4,513,000	
Financed Purchases Payable	248,200	347,958	
Leases Payable	102,102	157,682	
Net Pension Liability	1,146,650	889,552	
Compensated Absences Payable	144,443	141,713	
<b>Total</b>	<b>\$5,829,395</b>	<b>\$6,049,905</b>	-3.64%

**Looking Ahead**

**BUILDING FOR THE FUTURE**

As we look to the future, the District will research the opportunity to expand programmatic offerings including universal pre-kindergarten programs. Additionally, the District will explore the impact of local housing development on the student population and plan accordingly for infrastructure expansion and improvement initiatives. The District leverages grant and other revenue opportunities to support infrastructure improvements including the replacement of the gymnasium roof and floor, HVAC upgrades, replacement of hallway floors, improvements to the grounds and building facade.

**PLANNING FOR THE FUTURE**

The Rochelle Park Public School District is actively addressing the economic challenges which are affecting New Jersey public school districts. Some of our financial goals are as follows:

- ✓ Develop balanced budgets despite inflationary environment.
- ✓ Employ cost-controls and savings through review of services.
- ✓ Generate increased revenue through favorable interest rates.
- ✓ Ensure expenditures are within the budgeted amounts.
- ✓ Control spending to ensure appropriations remain within budget.
- ✓ Develop a long-term (five-year) fiscal plan and update it annually.

**Rochelle Park School District  
Management's Discussion and Analysis  
For Fiscal Year Ended June 30, 2023**

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 300 Rochelle Avenue, Rochelle Park, New Jersey 07662.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2023

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,367,498	\$ 100,578	\$ 1,468,076
Receivables from Federal Government	186,340	6,547	192,887
Receivables from State Government	854,724	313	855,037
Internal Balances	(33,935)	33,935	
Other Receivables	3,595	4,555	8,150
Restricted Cash and Cash Equivalents	1,569,212		1,569,212
Inventory		3,792	3,792
Capital Assets, Net:			
Sites (Land) and Construction in Progress	41,513		41,513
Depreciable Site Improvements, Buildings and Building Improvements, Machinery and Equipment	9,641,791	28,493	9,670,284
Lease Assets, Net	96,447		96,447
Total Assets	<u>13,727,185</u>	<u>178,213</u>	<u>13,905,398</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to Pensions	294,806		294,806
Total Deferred Outflows of Resources	<u>294,806</u>		<u>294,806</u>
<b>LIABILITIES</b>			
Intergovernmental Payable- Federal	1,415		1,415
Accounts Payable	481,474	8,637	490,111
Accrued Interest Payable	36,350		36,350
Unearned Revenue	27,055	29,466	56,521
Noncurrent Liabilities:			
Due Within One Year	499,069		499,069
Due Beyond One Year	5,330,326		5,330,326
Total Liabilities	<u>6,375,689</u>	<u>38,103</u>	<u>6,413,792</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	224,618		224,618
Total Deferred Inflows of Resources	<u>224,618</u>		<u>224,618</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,241,449	28,493	5,269,942
Restricted for:			
Debt Service	2		2
Capital Projects	1,088,612		1,088,612
Maintenance	400,000		400,000
Unemployment Compensation	48,573		48,573
Student Activities	43,526		43,526
Scholarships	565		565
Excess Surplus	500,000		500,000
Unrestricted	98,957	111,617	210,574
Total Net Position	<u>\$ 7,421,684</u>	<u>\$ 140,110</u>	<u>\$ 7,561,794</u>

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

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Functions/Programs	Program Revenue			Net Expense and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental Activities:</b>						
<b>Instruction:</b>						
Regular	\$ 5,472,169	\$ 79,610	\$ 1,640,718	\$ (3,751,841)		\$ (3,751,841)
Special Education	2,042,067		2,070,518	28,451		28,451
Other Special Instruction	446,970		117,675	(329,295)		(329,295)
School Sponsored/Other Instruction	52,860			(52,860)		(52,860)
<b>Support Services:</b>						
Tuition	3,922,359			(3,922,359)		(3,922,359)
Student & Instruction Related Services	1,778,440	80,907		(1,697,533)		(1,697,533)
General Administrative Services	531,512			(531,512)		(531,512)
School Administrative Services	298,426		57,648	(240,778)		(240,778)
Central Services	274,251			(274,251)		(274,251)
Administration Information Technology	167,248			(167,248)		(167,248)
Plant Operations and Maintenance	958,930		50,111	(908,819)		(908,819)
Pupil Transportation	719,361		121,787	(597,574)		(597,574)
Capital Outlay	44,871			(44,871)		(44,871)
Transfer of Funds to Charter Schools	37,222			(37,222)		(37,222)
Interest on Long-Term Debt	138,379			(138,379)		(138,379)
Total Governmental Activities	16,885,065	160,517	4,058,457	(12,666,091)		(12,666,091)
<b>Business-Type Activities:</b>						
Care Program	146,205	188,422			\$ 42,217	42,217
Food Service	333,046	162,943	138,877		(31,226)	(31,226)
Total Business-Type Activities	479,251	351,365	138,877		10,991	10,991
Total Primary Government	\$ 17,364,316	\$ 511,882	\$ 4,197,334	\$ (12,666,091)	\$ 10,991	\$ (12,655,100)

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	Net Expense and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 13,313,494		\$ 13,313,494
Taxes Levied for Debt Service	307,612		307,612
Federal and State Aid and Local Grants Not Restricted	246,926		246,926
Miscellaneous Income	81,332		81,332
Other Items:			
Cancellation of Intergovernmental Receivable - Other	(100,402)		(100,402)
Total General Revenues	13,848,962		13,848,962
Change in Net Position	1,182,871	10,991	1,193,862
Net Position - Beginning	6,238,813	129,119	6,367,932
Net Position - Ending	\$ 7,421,684	\$ 140,110	\$ 7,561,794

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



FUND FINANCIAL STATEMENTS

ROCHELLE PARK SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 1,366,884		\$ 614		\$ 1,367,498
Receivables From Federal Government		\$ 186,340			186,340
Receivables From State Government	854,724				854,724
Interfund Receivable	119,850			\$ 22,802	142,652
Other Receivables	3,595				3,595
Restricted Cash and Cash Equivalents	1,525,121	44,091			1,569,212
<b>Total Assets</b>	<u>\$ 3,870,174</u>	<u>\$ 230,431</u>	<u>\$ 614</u>	<u>\$ 22,802</u>	<u>\$ 4,124,021</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Intergovernmental Payable - Federal		\$ 1,415			\$ 1,415
Interfund Payable	\$ 33,935	97,077	\$ 22,775	\$ 22,800	176,587
Accounts Payable	311,938	60,793			372,731
Unearned Revenue		27,055			27,055
<b>Total Liabilities</b>	<u>345,873</u>	<u>186,340</u>	<u>22,775</u>	<u>22,800</u>	<u>577,788</u>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Capital Reserve	1,076,548				1,076,548
Maintenance Reserve	400,000				400,000
Excess Surplus 2024-2025	250,000				250,000
Excess Surplus 2023-2024	250,000				250,000
Unemployment Compensation	48,573				48,573
Student Activities		43,526			43,526
Scholarships		565			565
Capital Projects Fund			12,064		12,064
Debt Service				2	2
<b>Assigned:</b>					
Year-End Encumbrances	52,745				52,745
Designated for Subsequent Year's Expenditures	494,627				494,627
Unassigned/(Deficit)	951,808		(34,225)		917,583
<b>Total Fund Balances</b>	<u>3,524,301</u>	<u>44,091</u>	<u>(22,161)</u>	<u>2</u>	<u>3,546,233</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,870,174</u>	<u>\$ 230,431</u>	<u>\$ 614</u>	<u>\$ 22,802</u>	<u>\$ 4,124,021</u>

ROCHELLE PARK SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

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

Total Fund Balances from the prior page:	\$ 3,546,233
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds.	9,683,304
Leased Assets used in Governmental Activities are not financial resources and therefore are not reported in the Funds.	96,447
Interest on long-term debt is not accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(36,350)
Long-term liabilities, including bonds payable, leases payable and financed purchases payable are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(4,682,745)
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(1,146,650)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds.	
Deferred Outflows	186,063
Deferred Inflows	(224,618)
Net Position of Governmental Activities	<u>\$ 7,421,684</u>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUE:</b>					
Local Sources:					
Local Tax Levy	\$ 13,313,494			\$ 307,612	\$ 13,621,106
Tuition from Individuals	79,610				79,610
Interest Earned on Capital Reserve Funds	37,447				37,447
Restricted Miscellaneous		\$ 80,907			80,907
Unrestricted Miscellaneous	43,885	26,969			70,854
Total - Local Sources	13,474,436	107,876		307,612	13,889,924
State Sources	4,211,507			158,466	4,369,973
Federal Sources	86,865	570,536			657,401
Total Revenue	17,772,808	678,412		466,078	18,917,298
<b>EXPENDITURES:</b>					
Current:					
Regular Instruction	3,053,900	456,995			3,510,895
Special Education Instruction	1,153,232	137,950			1,291,182
Other Special Instruction	264,940				264,940
School Sponsored/Other Instruction	47,178				47,178
Support Services and Undistributed Costs:					
Tuition	3,922,359				3,922,359
Student & Instruction Related Services	1,403,632	64,680			1,468,312
General Administrative Services	401,401				401,401
School Administrative Services	194,203				194,203
Central Services	237,021				237,021
Administration Information Technology	147,396				147,396

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>EXPENDITURES (Cont'd):</b>					
Support Services and Undistributed Costs: (Cont'd)					
Plant Operations and Maintenance	\$ 886,784			\$ 325,000	\$ 886,784
Pupil Transportation	715,226			141,077	715,226
Personal Services - Employee Benefits	4,192,707				4,192,707
Debt Service:					
Principal				\$ 325,000	325,000
Interest and Other Charges				141,077	141,077
Capital Outlay	735,989	\$ 2,560	\$ 2,245		740,794
Transfer of Funds to Charter Schools	37,222				37,222
Total Expenditures	<u>17,393,190</u>	<u>662,185</u>	<u>2,245</u>	<u>466,077</u>	<u>18,523,697</u>
Excess/(Deficit) of Revenue Over/(Under) Expenditures	<u>379,618</u>	<u>16,227</u>	<u>(2,245)</u>	<u>1</u>	<u>393,601</u>
Other Financing Sources/(Uses):					
Cancellation of Intergovernmental Receivable - Other	(100,402)				(100,402)
Total Other Financing Sources/(Uses)	<u>(100,402)</u>				<u>(100,402)</u>
Net Change in Fund Balances	279,216	16,227	(2,245)	1	293,199
Fund Balance/(Deficit) - July 1	3,245,085	27,864	(19,916)	1	3,253,034
Fund Balance/(Deficit) - June 30	<u>\$ 3,524,301</u>	<u>\$ 44,091</u>	<u>\$ (22,161)</u>	<u>\$ 2</u>	<u>\$ 3,546,233</u>

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 293,199

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 depreciation differs from capital asset deletions/adjustments, net of accumulated depreciation and capital outlays in the period.

	Depreciation Expense	\$ (333,579)	
Capital Asset Deletions/Adjustments Net of Accumulated Depreciation		(67,023)	
	Capital Outlays	<u>695,923</u>	295,321

Capital outlays related to lease assets are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of those assets is allocated over the shorter of their estimated useful lives or lease term as amortization expense. This is the amount by which amortization differs from capital outlays in the period.

	Amortization Expense	(55,066)
--	----------------------	----------

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(2,730)

Repayment of leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and is not reported in the Statement of Activities.

55,580

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. (+)

325,000

Repayment of financed purchases payable 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. (+)

99,758

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Changes in Net Pension Liability	(257,098)
Change in Deferred Outflows	(5,485)
Change in Deferred Inflows	431,694

In the statement of activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition in the reconciliation. (+)

2,698

Change in Net Position of Governmental Activities (from A-2)

\$ 1,182,871

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

ROCHELLE PARK SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023

	<u>Total Business-Type Activities</u> <u>Total Non-Major Enterprise Funds</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 100,578
Accounts Receivable:	
Federal	6,547
State	313
Other Receivables	4,555
Interfund Receivable - General Fund	33,935
Inventory	<u>3,792</u>
Total Current Assets	<u>149,720</u>
Non-Current Assets:	
Capital Assets	89,299
Accumulated Depreciation	<u>(60,806)</u>
Total Non-Current Assets	<u>28,493</u>
Total Assets	<u>178,213</u>
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts Payable - Vendors	8,637
Unearned Revenue - Donated Commodities	733
Unearned Revenue - Supply	
Chain Assistance	24,718
Unearned Revenue - Prepaid Sales	<u>4,015</u>
Total Current Liabilities	<u>38,103</u>
<u>NET POSITION:</u>	
Investment in Capital Assets	28,493
Unrestricted	<u>111,617</u>
Total Net Position	<u>\$ 140,110</u>

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

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

	Total Business-Type Activities
	Total Non-Major Enterprise Funds
Operating Revenue:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 90,209
Daily Sales - Nonreimbursable Meals	72,734
Program Fees	188,422
Total Operating Revenue	351,365
Operating Expenses:	
Cost of Sales for Reimbursable Programs	70,891
Cost of Sales for Nonreimbursable Programs	58,230
Salaries, Benefits & Payroll Taxes	255,019
Other Purchased Services	28,208
Management Fee	17,373
Supplies and Materials	15,573
Utilities	30,000
Depreciation	3,957
Total Operating Expenses	479,251
Operating Loss	(127,886)
Non-Operating Revenue:	
Federal Sources:	
National School Lunch	87,023
School Breakfast Program	601
Food Distribution Program	23,933
Supply Chain Assistance Program	11,714
Paycheck Protection Program Loan Reimbursement from Food Service Management Contractor	11,561
State Sources:	
State School Lunch Program	4,039
State School Breakfast Program	6
Total Non-Operating Revenue	138,877
Change in Net Position	10,991
Net Position - Beginning of Year	129,119
Net Position - End of Year	\$ 140,110

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



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

	<u>Total Business- Type Activities</u>
	<u>Total Non-Major Enterprise Funds</u>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 346,733
Payments to/for Employees	(146,816)
Payments to Food Service Contractor	(254,709)
Payments to Suppliers	<u>(68,533)</u>
Net Cash Provided by/(Used for) Operating Activities	<u>(123,325)</u>
Cash Flows from Noncapital Financing Activities:	
Cash Received from General Fund - Interfund	36,603
Cash Received From Federal Reimbursements/Grants in Food Service Fund	124,516
Cash Received From State Reimbursements in Food Service Fund	<u>3,131</u>
Net Cash Provided by Noncapital Financing Activities	<u>164,250</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	40,925
Cash and Cash Equivalents, July 1	<u>59,653</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 100,578</u></u>
Reconciliation of Operating Income/(Loss) to Net Cash	
Provided by/(Used for) Operating Activities:	\$ (127,886)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Used for Operating Activities:	
Depreciation	3,957
Food Distribution Program	23,933
Changes in Assets and Liabilities:	
Decrease/(Increase) in Inventory	654
(Increase)/Decrease in Other Accounts Receivable	(4,555)
Increase/(Decrease) in Accounts Payable	(18,223)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales	(76)
Increase/(Decrease) in Unearned Revenue - Donated Commodities	<u>(1,129)</u>
Net Cash Provided by/(Used for) Operating Activities	<u><u>\$ (123,325)</u></u>

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A Commodities Through the Food Distribution Program Valued at \$22,804 and utilized \$23,933 for the fiscal year ended June 30, 2023.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

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

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

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

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

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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

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

B. Basis of Presentation: (Cont'd)

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, lease assets or subscription assets (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

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

The District reports the following proprietary funds:

Food Service Enterprise Fund: The Food Service Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations.

Care Program Enterprise Fund: The Care Program Fund accounts for all revenue and expenses pertaining to the Board's before and after school childcare program.

The funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

C. Measurement Focus and Basis of Accounting:

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

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

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

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

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

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

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

D. Budgets/Budgetary Control:

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

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

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

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

The Capital Projects Fund budgetary revenue differs from GAAP revenue due to a difference in the recognition of SDA grants. These grants are recognized on the budgetary basis in full when they are awarded but recognized on the GAAP basis only to the extent of expenditures which have been submitted for reimbursement.

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

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

D. Budgets/Budgetary Control: (Cont'd)

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 17,780,336	\$ 607,312
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, whereas the GAAP Basis does not.		
Cancellation of Prior Year Encumbrances		(1,200)
Current Year Encumbrances		(2,209)
Prior Year Encumbrances		74,509
Prior Year State Aid Payments Recognized for GAAP Statements	39,309	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(46,837)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 17,772,808	\$ 678,412
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 17,393,190	\$ 591,085
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
		71,100
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 17,393,190	\$ 662,185
		Capital Projects Fund
Summary Schedule of Revenue, Expenditures and Changes in Fund Balance (Budgetary Basis) (per Exhibit F-1)		Fund Balance
Restricted		\$ 12,064
Committed		87,975
Total Fund Balance - Budgetary Basis		100,039
Reconciliation to Governmental Funds Statement (GAAP):		
SDA Grants are Recognized as Revenue on the Budgetary Basis when awarded but are not Recognized on the GAAP Basis until Expended and submitted for reimbursement.		
		(122,200)
Statement of Revenue, Expenditures and Changes in Fund Balances/(Deficit) - Governmental Funds (GAAP Basis) (per Exhibit B-2)		\$ (22,161)

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

(Continued)

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

E. Cash and Cash Equivalents, and Investments

Cash and cash equivalents include petty cash, change funds, amount in deposits, and short-term investments transaction between market participants at the measurement date.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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

N.J.S.A. 17:9-41 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 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 of at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Government Units. If a public depository fails, the collateral it has pledged, plus the collateral of all the other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Accounts:

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

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

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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



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

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

K. Capital Assets: (Cont'd)

	<u>Estimated Useful Life</u>
Buildings and Building Improvements	50 Years
Site Improvements	20 Years
Machinery and Equipment	10 to 15 Years

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

L. Lease Assets:

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

M. Subscription Assets

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

N. Long Term Liabilities:

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

O. Accrued Salaries and Wages:

The District allows employees who provide services to the District over the ten-month academic year the option to have their salaries evenly disbursed during the entire twelve month year; therefore, there were \$214,1 of accrued salaries and wages as of June 30, 2023.

P. Compensated Absences:

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

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

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

P. Compensated Absences: (Cont'd)

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

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

Q. Lease Payable

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

R. Subscription Payable

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

S. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

T. Fund Balance Appropriated:

General Fund: Of the \$3,524,301 General Fund fund balance at June 30, 2023, \$52,745 is assigned for year-end encumbrances, \$48,573 is restricted for unemployment compensation, \$1,076,548 is restricted in the capital reserve account, \$400,000 is restricted in the maintenance reserve account; \$250,000 is prior year excess surplus and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2024; \$250,000 is restricted for current year excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended and will be included as anticipated revenue for the year ending June 30, 2025, \$494,627 is assigned and designated for subsequent year's expenditures and \$951,808 is unassigned fund balance (which is \$46,837 less than the calculated maximum unassigned fund balance, on a GAAP basis, due to the final state aid payments, which are not recognized until the fiscal year ended June 30, 2024).

Special Revenue Fund: The Special Revenue Fund fund balance at June 30, 2023 is \$44,091 and is restricted for scholarships and student activities.

Debt Service Fund: The Debt Service Fund fund balance at June 30, 2023 is \$2 and is restricted.

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

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

T. Fund Balance Appropriated: (Cont'd)

Capital Projects Fund: Of the (\$22,161) Capital Projects Fund balance at June 30, 2023, \$12,064 is restricted, and there is a deficit of (\$34,225) in unassigned fund balance. The unassigned fund balance is \$122,200 less than the budgetary basis due to SDA grants receivable not recognized on a GAAP basis until the related expenditures are submitted for reimbursement.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7 as amended by P.L. 2004, c.73 (S1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus at June 30, 2023 as detailed on the previous page.

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$46,837 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the related 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 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

U. Deficit Fund Balance:

The District has a deficit in unassigned fund balance of \$34,225 in the Capital Projects Fund, which is due to the SDA grant receivable not being recognized on the GAAP basis until the related reimbursement requests are submitted to the State. This deficit does not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

V. Net Position:

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

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

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

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

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

V. Net Position: (Cont'd)

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

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

W. Fund Balance Restrictions, Commitments and Assignments:

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

Fund balance restrictions have been established for the capital projects fund, the debt service fund, a capital reserve, a maintenance reserve, student activities, scholarships, unemployment compensation, and excess surplus.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District had committed resources at June 30, 2023 on the budgetary basis in the Capital Projects Fund.

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

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

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

X. Revenue - Exchange and Nonexchange Transactions:

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

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

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

Y. Operating Revenue and Expenses:

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

Z. Management Estimates:

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

AA. Pensions:

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

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

Deposits:

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

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

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

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

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

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

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

Investments:

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

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

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

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

Investments: (Cont'd)

- (9) Deposit of funds in accordance with the following conditions:
- (a) The funds are initially invested through a public depository as defined in section 1 of P.L. 1970, c. 236 (C.17:9-41) designated by the school district;
  - (b) The designated public depository arranges for the deposit of the funds in deposit accounts in one or more federally insured banks, savings banks or savings and loan associations or credit unions for the account of the school district;
  - (c) 100 percent of the principal and accrued interest of each deposit is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund;
  - (d) The designated public depository acts as custodian for the school district with respect to these deposits; and
  - (e) On the same date that the school district's funds are deposited pursuant to subparagraph (b) of this paragraph, the designated public depository receives an amount of deposits from customers of other financial institutions, wherever located, equal to the amounts of funds initially invested by the school district through the designated public depository.

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

	Restricted Cash and Cash Equivalents	Cash and Cash Equivalents	Total
Checking Accounts	\$ 1,569,212	\$ 1,468,076	\$ 3,037,288

During the period ended June 30, 2023, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2023, was \$3,037,288 and the bank balance was \$4,080,345.

NOTE 4. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-5.1(d)7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.



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

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

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

Balance July 1, 2022	\$ 1,250,309
Deposits:	
Transfer per Board Resolution - June 2023	88,792
Interest	37,447
	1,376,548
Withdrawals:	
Budgeted Withdrawal as per 2022/2023 Budget	(300,000)
Balance June 30, 2023	\$ 1,076,548

The balance in the capital reserve at June 30, 2023 did not exceed the balance of local support costs of uncompleted capital projects in the District's approved LRFP. The withdrawal from the capital reserve account was for use in DOE approved facilities projects, consistent with the District's LRFP.

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

NOTE 5. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets not being Depreciated:				
Sites (Land)	\$ 15,740			\$ 15,740
Construction in Progress	23,528	\$ 2,245		25,773
Total Capital Assets not Being Depreciated	<u>39,268</u>	<u>2,245</u>		<u>41,513</u>
Capital Assets Being Depreciated:				
Site Improvements	319,765	374,678		694,443
Buildings and Building Improvements	10,924,143	214,575		11,138,718
Machinery and Equipment	952,595	104,425	\$ (122,007)	935,013
Total Capital Assets Being Depreciated	<u>12,196,503</u>	<u>693,678</u>	<u>(122,007)</u>	<u>12,768,174</u>
Governmental Activities Capital Assets	<u>12,235,771</u>	<u>695,923</u>	<u>(122,007)</u>	<u>12,809,687</u>
Less Accumulated Depreciation for:				
Site Improvements	(307,015)	(850)		(307,865)
Buildings and Building Improvements	(2,200,278)	(242,320)	9,846	(2,432,752)
Machinery and Equipment	(340,495)	(90,409)	45,138	(385,766)
Total Accumulated Depreciation	<u>(2,847,788)</u>	<u>(333,579)</u>	<u>54,984</u>	<u>(3,126,383)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>9,387,983</u>	<u>362,344</u>	<u>(67,023)</u>	<u>9,683,304</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	89,299			89,299
Less Accumulated Depreciation	(56,849)	(3,957)		(60,806)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>32,450</u>	<u>(3,957)</u>		<u>28,493</u>
<b>GRAND TOTAL</b>	<u><u>\$ 9,420,433</u></u>	<u><u>\$ 358,387</u></u>	<u><u>\$ (67,023)</u></u>	<u><u>\$ 9,711,797</u></u>

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

NOTE 5. CAPITAL ASSETS (Cont'd)

The District expended \$2,245 towards construction projects in progress. As of June 30, 2023, the District has \$100,039 of unexpended capital projects fund construction projects.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$	126,000
Special Education Instruction		46,740
Student Instructional Support Services		55,103
General Administration		60,150
School Administration		2,693
Plant Operations and Maintenance		42,893
		\$ 333,579

NOTE 6. LEASE ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Lease Assets Being Amortized:				
Machinery and Equipment	\$ 275,335			\$ 275,335
Total Lease Assets Being Amortized	275,335			275,335
Governmental Activities Lease Assets	275,335			275,335
Less Accumulated Amortization for:				
Machinery and Equipment	(123,822)	\$ (55,066)		(178,888)
	(123,822)	(55,066)		(178,888)
Governmental Activities Lease Assets, Net of Accumulated Amortization	\$ 151,513	\$ (55,066)	\$ -0-	\$ 96,447

Amortization expense was charged to governmental functions as follows:

Regular Instruction	\$ 55,066
	\$ 55,066

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

NOTE 7. LONG TERM LIABILITIES

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

	Balance <u>6/30/2022</u>	Accrued	Retired	Balance <u>6/30/2023</u>
Compensated Absences Payable	\$ 141,713	\$ 2,730		\$ 144,443
Financed Purchases Payable	347,958		\$ 99,758	248,200
Net Pension Liability	889,552	257,098		1,146,650
Bonds Payable	4,513,000		325,000	4,188,000
Leases Payable	157,682		55,580	102,102
	<u>\$ 6,049,905</u>	<u>\$ 259,828</u>	<u>\$ 480,338</u>	<u>\$ 5,829,395</u>

A. Bonds Payable:

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

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

<u>Purpose</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Amount</u>
School Bonds- Series 2014 - Infrastructure Repairs and Building Security Enhancements	3/15/35	3.00%-3.50%	<u>\$ 4,188,000</u>

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

NOTE 7. LONG TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

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

<u>Fiscal</u> <u>Year Ending June 30,</u>	<u>Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 338,000	\$ 131,328	\$ 469,328
2025	350,000	121,188	471,188
2026	350,000	110,688	460,688
2027	350,000	100,188	450,188
2028	350,000	89,688	439,688
2029 - 2033	1,750,000	289,188	2,039,188
2034 - 2035	700,000	36,750	736,750
	<u>\$ 4,188,000</u>	<u>\$ 879,015</u>	<u>\$ 5,067,015</u>

The 2014 Bonds maturing on or after March 15, 2025 are subject to redemption at the option of the Board in whole or in part on any date on or after March 15, 2024 upon notice as required, at one hundred percent (100%) of the principal amount to be redeemed (the "Redemption Price"), together with interest accrued to the date of redemption.

<u>Date</u>	<u>Sinking Fund</u> <u>Installment</u>
March 15, 2025	\$ 350,000
March 15, 2026	350,000
March 15, 2027	350,000

The 2014 Bonds maturing on March 15, 2027 are subject to mandatory redemption from sinking fund installments made on each March 15, beginning March 15, 2025, and shall be redeemed on the dates set forth below at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Bonds called for redemption, plus interest accrued and unpaid to the date fixed for redemption, according to the schedule set forth below:

<u>Date</u>	<u>Sinking Fund</u> <u>Installment</u>
March 15, 2028	\$ 350,000
March 15, 2029	350,000

The 2014 Bonds maturing on March 15, 2029 are subject to mandatory redemption from sinking fund installments made on each March 15, beginning March 15, 2028, and shall be redeemed on the dates set forth below at a Redemption Price equal to one hundred percent (100%) of the principal amount of the Bonds called for redemption, plus interest accrued and unpaid to the date fixed for redemption, according to the schedule set forth on the following page.

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

NOTE 7. LONG TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Date	Sinking Fund Installment
March 15, 2030	\$ 350,000
March 15, 2031	350,000
March 15, 2032	350,000
March 15, 2033	350,000
March 15, 2034	350,000
March 15, 2035	350,000

B. Bonds Authorized But Not Issued:

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

C. Financed Purchases Payable:

On May 3, 2016 the District entered into a financed purchase agreement for energy conservation measures for \$230,000 which is for a period of 10 years and of which \$163,251 has been liquidated as of June 30, 2023. During 2021, the District entered into a financed purchase agreement for whiteboards for \$399,460 for a period of 5 years and of which \$218,009 has been liquidated as of June 30, 2023. The schedule of the future minimum financed purchases payments under the District's financed purchases and the present value of the net minimum payments at June 30, 2023 are detailed below and are liquidated by the General Fund.

Fiscal Year	Amount
2024	\$ 109,444
2025	110,588
2026	38,077
Total Minimum Financed Purchases Payments	258,109
Less: Amount representing interest	(9,909)
Present value of net minimum financed purchases payments	\$ 248,200

The current portion of financed purchases payable at June 30, 2023 is \$103,054 and the long-term portion is \$145,146. The District liquidated \$99,758 of its financed purchases payable in the current year.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities and liquidated by the General Fund. Of the balance, \$0 is the short-term portion and \$144,443 is the long term portion. The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2023, no liability existed for compensated absences in the Enterprise Funds.

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

NOTE 7. LONG TERM LIABILITIES (Cont'd)

E. Leases Payable:

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

<u>Purpose</u>	<u>Commencement Date</u>	<u>Frequency of Payment</u>	<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
Savin Copiers	07/20/19	Monthly	06/20/24	4.400%	\$ 28,737
Technology Equipment	11/20/20	Monthly	10/20/25	3.400%	64,005
Savin Copier	01/20/22	Monthly	12/20/26	6.300%	<u>9,360</u>
					<u>\$ 102,102</u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 58,015	\$ 5,286
2025	30,365	2,747
2026	12,255	1,059
2027	<u>1,467</u>	<u>141</u>
	<u>\$ 102,102</u>	<u>\$ 9,233</u>

F. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2023 is \$-0- and the long-term portion is \$1,146,650. See Note 8 for further information on the PERS.

The General Fund will be used to liquidate Compensated Absences Payable and Financed Purchases Payable. The Debt Service Fund will be used to liquidate the Serial Bonds.

NOTE 8. PENSION PLANS

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

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

NOTE 8. PENSION PLANS (CONT'D)

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

Contributions

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

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



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

NOTE 8. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

District contributions to PERS amounted to \$95,815 for 2023. During the fiscal year ended June 30, 2022, the State of New Jersey contributed \$2,413 to the PERS for normal pension benefits on behalf of the District.

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

Special Funding Situation

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

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

At June 30, 2023, the District's liability was \$1,146,650 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0076%, which was an increase of 0.0001% from its proportion measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized an actual pension benefit in the amount of \$73,296 related to the District's proportionate share of the net pension liability. Additionally, for the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$2,413 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements.

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

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions the sources on the following page.

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

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Deferral Year	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2018	5.63		\$ (27,563)
	2019	5.21		(34,445)
	2020	5.16		(101,286)
	2021	5.13		(8,405)
	2022	5.04	\$ 3,553	
			<u>3,553</u>	<u>(171,699)</u>
Changes in Proportion	2018	5.63		(20,385)
	2019	5.21	46,409	
	2020	5.16		(25,236)
	2021	5.13	66,791	
	2022	5.04	13,575	
			<u>126,775</u>	<u>(45,621)</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	1,135	
	2020	5.00	34,086	
	2021	5.00	(212,608)	
	2022	5.00	224,846	
			<u>47,459</u>	
Difference Between Expected and Actual Experience	2018	5.63		(1,050)
	2019	5.21	2,633	
	2020	5.16	5,643	
	2021	5.13		(2,825)
	2022	5.04		(3,423)
			<u>8,276</u>	<u>(7,298)</u>
District Contribution Subsequent to the Measurement Date	2022	1.00	108,743	
			<u>\$ 294,806</u>	<u>\$ (224,618)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion and the district contribution subsequent to the measurement date) related to pensions will be recognized in the pension benefit as shown in the table on the following page.

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

Fiscal Year Ending June 30,	Total
2023	\$ (98,357)
2022	(50,110)
2025	(24,438)
2026	53,314
2027	(117)
	\$ (119,709)

Actuarial Assumptions

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

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

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

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

Discount Rate

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

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

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

	June 30, 2022		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the Net Pension Liability	\$ 1,473,109	\$ 1,146,650	\$ 868,820

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 with 25 or more years of service credit before age 62 and to 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 members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2022, the State's pension contribution was more than the actuarial determined amount.

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

NOTE 8. PENSION PLANS (Cont'd)

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

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer. During the fiscal year ended 2023, the State of New Jersey contributed \$1,699,822 to the TPAF for normal pension benefits on behalf of the District, which is more than the contractually required contribution of \$563,630.

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

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

At June 30, 2023, the State's proportionate share of the net pension liability associated with the District was \$20,942,832. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 which was rolled forward to June 30, 2022. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2022, the District's proportion was 0.0406%, which was an increase of 0.00096% from its proportion measured as of June 30, 2021.

District's Proportionate Share of the Net Pension Liability	\$	-0-
State's Proportionate Share of the Net Pension Liability Associated with the District		<u>20,942,832</u>
Total	\$	<u><u>20,942,832</u></u>

For the fiscal year ended June 30, 2022, the State recognized pension expense on behalf of the District in the amount of \$563,630 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2023 financial statements. The State reported collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions from the following sources:

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

(Continued)

NOTE 8. PENSION PLANS (Cont'd)

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

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

	Year of Deferral	Amortization Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2015	8.30	\$ 213,742,984	
	2016	8.30	1,695,809,748	
	2017	8.30		\$ 3,681,530,748
	2018	8.29		2,705,362,525
	2019	8.04		2,012,738,111
	2020	7.99	1,007,402,060	
	2021	7.93		11,041,509,093
	2022	7.83	96,143,072	
			<u>3,013,097,864</u>	<u>19,441,140,477</u>
Difference Between Expected and Actual Experience	2015	8.30	13,201,022	
	2016	8.30		21,088,845.00
	2017	8.30	65,502,212	
	2018	8.29	474,592,771	
	2019	8.04		78,198,040
	2020	7.99		5,368,990
	2021	7.93	146,524,969	
	2022	7.83		18,009,041
			<u>699,820,974</u>	<u>122,664,916</u>
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	2019	5.00	36,220,692	
	2020	5.00	482,791,080	
	2021	5.00	(2,665,975,358)	
	2022	5.00	3,319,334,659	
			<u>1,172,371,073</u>	
			<u>\$ 4,885,289,911</u>	<u>\$ 19,563,805,393</u>



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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

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

Actuarial Assumptions

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

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and a 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2022.

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.

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

NOTE 8. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate – TPAF

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

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

NOTE 8. PENSION PLANS (Cont'd)

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

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

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

	June 30, 2022		
	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State's Proportionate Share of the Net Pension Liability Associated with the District	\$ 24,555,915	\$ 20,942,832	\$ 17,899,263

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

For DCRP, the District recognized pension expense of \$16,394 for the fiscal year ended June 30, 2023. Employee contributions to DCRP amounted to \$21,422 for the fiscal year ended June 30, 2023.

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

NOTE 9. DEFERRED COMPENSATION

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

The plan administrators for the District's Internal Revenue Code Sections 403(b) plans are as follows:

AXA Equitable	Metropolitan Life
Valic	Lincoln Financial Advisors Corp.
Franklin Templeton	Vanguard

NOTE 10. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The District obtains their health benefit coverage through the State of NJ Health Benefits Plan.

Property and Liability

The Board is a member of the Northeast Bergen County School Board Insurance Group ("NESBIG"). The NESBIG provides its members with Workers' Compensation, Comprehensive General Liability and Automobile Liability, Property, Boiler and Machinery, and School Board Legal Liability Insurance. A complete schedule of insurance coverage can be found in the statistical section of this Annual comprehensive financial report. The NESBIG is a risk-sharing pool that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage for their members in order to keep local property taxes at a minimum. Each member appoints an official to represent their respective district for the purpose of creating a governing body from which officers for the NESBIG are elected.

As a member of the NESBIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the NESBIG were to be exhausted, members would become responsible for their respective shares of the NESBIG's liabilities.

The NESBIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided amongst the members in the same ratio as their individual assessment relates to the total assessment of the membership body. These distributions are used to reduce the amount recorded for membership expense in the year in which the distribution was declared.

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

NOTE 10. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

The audit report for the fiscal year ended June 30, 2023 was not available as of the date of this report. Selected, summarized financial information for the NESBIG as of June 30, 2022 is as follows:

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

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

Burton Agency  
44 Bergen Street  
P.O. Box 270  
Westwood, NJ 07675

New Jersey Unemployment Compensation Insurance

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

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2022-2023	\$ -0-	\$ 12,842	\$ 29,292	\$ 48,573
2021-2022	-0-	22,016	12,943	65,023
2020-2021	7,500	27,251	22,515	55,951

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

NOTE 11. ECONOMIC DEPENDENCY

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

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES AND TRANSFERS

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 119,850	\$ 33,935
Special Revenue Fund		97,077
Capital Projects Fund		22,775
Debt Service Fund	22,802	22,800
Food Service Fund	33,935	
	\$ 176,587	\$ 176,587

The interfund receivable in the General Fund is due to a cash deficit in the Special Revenue Fund due to the timing lag between request and reimbursement on federal grants and a cash deficit in the Debt Service Fund due to a prior year interfund not settled in the current year. The interfund receivable in the Debt Service Fund is due to a prior year interfund from the Capital Projects Fund which was not settled in the current year. The Food Service Fund interfund receivable is for federal and state subsidy reimbursements and supply chain assistance funding collected in the General Fund.

NOTE 13. TAX CALENDAR

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

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

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

NOTE 14. COMMITMENTS AND CONTINGENCIES

Grant Programs

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

Litigation

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

Encumbrances

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

General Fund	Special Revenue Fund	Total Governmental Funds
<u>\$ 52,745</u>	<u>\$ 2,209</u>	<u>\$ 54,954</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2022, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$2,209 less than the actual year-end encumbrances on a budgetary basis. On the GAAP basis, encumbrances are not recognized until paid and this non-recognition of encumbrances on a GAAP basis is also reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

NOTE 15. TRANSFERS TO CAPITAL OUTLAY

There were transfers to the capital outlay accounts of \$5,947 for equipment during the fiscal year ended June 30, 2023 for which County Superintendent approval was not required. There were transfers to the capital outlay accounts of \$294,053 for facilities acquisition and construction services during the fiscal year ended June 30, 2023 for which County Superintendent approval was required.

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

NOTE 16. ACCOUNTS PAYABLE

Payables as of June 30, 2023 were as detailed below:

	<u>Governmental Funds</u>		District Contribution	Total	Business - Type
	General	Special	Subsequent to the		Governmental
	Fund	Revenue	Measurement	Activities	Proprietary
		Fund	Date		Funds
Vendors	\$ 97,347	\$ 60,793		\$ 158,140	\$ 8,637
Accrued Salaries and Wages	214,591			214,591	
State of NJ			\$ 108,743	108,743	
	<u>\$ 311,938</u>	<u>\$ 60,793</u>	<u>\$ 108,743</u>	<u>\$ 481,474</u>	<u>\$ 8,637</u>

NOTE 17. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

State Health Benefit Program Fund – Local Education Retired Employees Plan

General Information about the OPEB Plan

Plan Description and Benefits Provided

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

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



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

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

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

Plan Description and Benefits Provided (Cont'd)

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

The total 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 education employers.

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

Employees Covered by Benefit Terms

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

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

Total Nonemployer OPEB Liability

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

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

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

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

Actuarial Assumptions and Other Inputs

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

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

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

Mortality Rates

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

Health Care Trend Assumptions

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

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

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

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

Discount Rate

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

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

	Total OPEB Liability
Balance at June 30, 2021	\$ 19,108,415
Changes for Year:	
Service Cost	973,655
Interest on the Total OPEB Liability	447,215
Changes of Assumptions	(4,526,963)
Differences between Expected and Actual Experience	1,301,793
Gross Benefit Payments by the State	(442,980)
Contributions from Members	14,211
Net Changes	(2,233,069)
Balance at June 30, 2022	\$ 16,875,346

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

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

	June 30, 2022		
	At 1% Decrease (2.54%)	At Discount Rate (3.54%)	At 1% Increase (4.54%)
Total OPEB Liability Attributable to the District	\$ 19,835,194	\$ 16,875,346	\$ 14,503,176

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

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

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

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

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

	June 30, 2022		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability Attributable to the District	\$ 13,948,505	\$ 16,875,346	\$ 20,719,929

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

For the fiscal year ended June 30, 2023 the District recognized OPEB expense of \$839,966 as determined by the State of New Jersey Division of Pensions and Benefits. This expense and the related offsetting revenue are for benefits provided by the State through a defined benefit OPEB plan that meets the criteria in GASB Codification Section P50, in which there is a special funding situation.

In accordance with GASB Codification Section P50, as the District's proportionate share of the OPEB liability is \$-0-, there is no recognition of the allocation of the proportionate share of the deferred inflows and outflows of resources. At June 30, 2022 the State had deferred outflows of resources and deferred inflows of resources related to OPEB associated with the District from the sources in the table on the following page.

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

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

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

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

	Deferral Year	Period in Years	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	2017	9.54		\$ 876,186
	2018	9.51		836,131
	2019	9.29	\$ 118,049	
	2020	9.24	2,787,190	
	2021	9.24	15,456	
	2022	9.13		4,031,129
			<u>2,920,695</u>	<u>5,743,446</u>
Differences between Expected and Actual Experience	2018	9.51		790,404
	2019	9.29		1,389,444
	2020	9.24	2,597,771	
	2021	9.24		2,972,390
	2022	9.13	415,148	
			<u>3,012,919</u>	<u>5,152,238</u>
Changes in Proportion	N/A	N/A	<u>1,839,497</u>	<u>146,242</u>
			<u>\$ 7,773,111</u>	<u>\$ 11,041,926</u>

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

Fiscal Year Ending June 30,	Total
2023	\$ (838,712)
2024	(838,712)
2025	(838,712)
2026	(724,857)
2027	(414,483)
Thereafter	<u>(1,306,594)</u>
	<u>\$ (4,962,070)</u>

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

NOTE 18. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$200,000 was established by the Rochelle Park School District during the year ended June 30, 2023. The funds for the establishment of this reserve were withdrawn from unassigned general fund balance.

These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the district by transferring unassigned general fund balance or by transferring excess, unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year’s budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district’s school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent year’s budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Balance at June 30, 2022	\$	200,000
Deposits:		
Transfer by Board Resolution June 2023		200,000
Balance at June 30, 2023	\$	400,000

REQUIRED SUPPLEMENTARY INFORMATION

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

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
District's proportion of the net pension liability	0.0096909750%	0.0097788635%	0.0076854005%	0.0072005062%	0.0063927290%	0.0072748642%	0.0070070872%	0.0075089900%	0.0076284007%
District's proportionate share of the net pension liability	\$ 1,814,416	\$ 2,195,159	\$ 2,276,195	\$ 1,676,163	\$ 1,258,696	\$ 1,310,820	\$ 1,142,673	\$ 889,552	\$ 1,146,650
District's covered employee payroll	\$ 643,899	\$ 643,899	\$ 529,650	\$ 498,898	\$ 459,288	\$ 445,578	\$ 515,820	\$ 545,066	\$ 623,112
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	281.79%	340.92%	429.75%	335.97%	274.05%	294.18%	221.53%	163.20%	184.02%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	46.41%

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



ROCHELLE PARK SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST NINE FISCAL YEARS

	Fiscal Year Ending June 30,								
	2015	2016	2017	2018	2019	2020	2021	2022	2023
Contractually required contribution	\$ 79,891	\$ 84,072	\$ 68,359	\$ 67,386	\$ 63,587	\$ 70,763	\$ 76,654	\$ 87,939	\$ 95,815
Contributions in relation to the contractually required contribution	(79,891)	(84,072)	(68,359)	(67,386)	(63,587)	(70,763)	(76,654)	(87,939)	(95,815)
Contribution deficiency/(excess)	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
District's covered employee payroll	\$ 643,899	\$ 529,650	\$ 498,898	\$ 459,288	\$ 445,578	\$ 515,820	\$ 545,066	\$ 623,112	\$ 551,839
Contributions as a percentage of covered employee payroll	12.41%	15.87%	13.70%	14.67%	14.27%	13.72%	14.06%	14.11%	17.36%

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

ROCHELLE PARK SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ATTRIBUTABLE TO THE DISTRICT TEACHERS' PENSION AND ANNUITY FUND  
LAST NINE FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023
State's proportion of the net pension liability attributable to the District	0.0333773035%	0.0341445621%	0.0364051605%	0.0389545809%	0.0374451254%	0.0388351517%	0.0389199802%	0.0396342792%	0.0405912756%
State's proportionate share of the net pension liability attributable to the District	\$ 17,839,082	\$ 21,580,821	\$ 28,638,617	\$ 26,264,583	\$ 23,821,784	\$ 23,833,509	\$ 25,628,339	\$ 19,054,254	\$ 20,942,832
District's covered employee payroll	\$ 3,552,551	\$ 3,552,551	\$ 3,829,646	\$ 3,934,460	\$ 4,090,352	\$ 4,268,716	\$ 4,304,493	\$ 4,744,285	\$ 4,761,399
State's proportionate share of the net pension liability attributable to the District as a percentage of District's covered employee payroll	502.15%	607.47%	747.81%	667.55%	582.39%	558.33%	595.39%	401.63%	439.85%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%	22.23%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%

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

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

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Contractually required contribution	\$ 959,910	\$ 1,317,703	\$ 2,151,794	\$ 1,819,477	\$ 1,388,727	\$ 1,405,763	\$ 1,593,679	\$ 448,355	\$ 563,630	
Contributions in relation to the contractually required contribution	(184,598)	(291,473)	(422,842)	(551,434)	(763,794)	(853,664)	(1,152,120)	(1,671,003)	(1,699,822)	
Contribution deficiency/(excess)	\$ 775,312	\$ 1,026,230	\$ 1,728,952	\$ 1,268,043	\$ 624,933	\$ 552,099	\$ 441,559	\$ (1,222,648)	\$ (1,136,192)	
District's covered employee payroll	\$ 3,552,551	\$ 3,829,646	\$ 3,934,460	\$ 4,090,352	\$ 4,268,716	\$ 4,304,493	\$ 4,744,285	\$ 4,761,399	\$ 5,019,602	
Contributions as a percentage of covered employee payroll	5.20%	7.61%	10.75%	13.48%	17.89%	19.83%	24.28%	35.09%	33.86%	

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

ROCHELLE PARK SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES  
SCHEDULE OF CHANGES IN THE STATE'S PROPORTIONAL SHARE OF THE TOTAL OPEB LIABILITY  
ATTRIBUTABLE TO THE DISTRICT AND RELATED RATIOS  
LAST SIX FISCAL YEARS

	Fiscal Year Ending June 30,					
	2017	2018	2019	2020	2021	2022
Service Cost	\$ 687,345	\$ 569,393	\$ 518,290	\$ 567,594	\$ 1,073,943	\$ 973,655
Interest Cost	499,935	581,821	560,565	456,422	495,692	447,215
Change in Benefit Terms					(20,339)	
Changes in Assumptions	(1,999,652)	(1,624,157)	188,671	3,948,782	(3,699,479)	(4,526,963)
Differences between Expected and Actual Experience		(872,106)	(2,389,933)	4,355,752	18,852	1,301,793
Member Contributions	13,530	13,080	11,514	11,407	12,672	14,211
Gross Benefit Payments	(367,437)	(378,453)	(388,438)	(376,344)	(390,467)	(442,980)
Net Change in Total OPEB Liability	(1,166,279)	(1,710,422)	(1,499,331)	8,963,613	(2,509,126)	(2,233,069)
Total OPEB Liability - Beginning	17,029,960	15,863,681	14,153,259	12,653,928	21,617,541	19,108,415
Total OPEB Liability - Ending	\$ 15,863,681	\$ 14,153,259	\$ 12,653,928	\$ 21,617,541	\$ 19,108,415	\$ 16,875,346
State's Covered Employee Payroll *	\$ 4,359,296	\$ 4,433,358	\$ 4,549,640	\$ 4,714,294	\$ 4,820,313	\$ 5,289,351
Total OPEB Liability as a Percentage of Covered Employee Payroll	364%	319%	278%	459%	396%	319%

\* - Covered payroll for the fiscal years ending June 30, 2017 - 2022 are based on the payroll on the June 30, 2016 - 2021 census data.

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

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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

B. TEACHERS' PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

C. State Health Benefit Local Education Retired Employees OPEB Plan

Benefit Changes

There were none.

Changes of Actuarial Assumptions

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

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

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

C. State Health Benefit Local Education Retired Employees OPEB Plan (Cont'd)

Changes of Actuarial Assumptions (Cont'd)

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

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

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

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

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

For pre-Medicare medical benefits, the trend rate is initially 5.65% and decreases to a 4.5% long term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal years 2022 through 2023 are reflected. For PPO the trend is initially 5.74% in fiscal year 2024, increasing to 12.93% in fiscal year 2025 and decreasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For HMO the trend is initially 6.01% in fiscal year 2024, increasing to 15.23% in fiscal year 2025 and decreasing to 4.5% after 11 years. For prescription drug benefits, the initial trend rate is 6.75% and decreases to a 4.5% long term rate after seven years.

BUDGETARY COMPARISON SCHEDULES

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues from Local Sources:					
Local Tax Levy	\$ 13,313,494		\$ 13,313,494	\$ 13,313,494	
Tuition From Individuals	48,000		48,000	79,610	\$ 31,610
Unrestricted Miscellaneous Revenues	120,000		120,000	43,885	(76,115)
Interest Earned on Capital Reserve Funds				37,447	37,447
<b>Total Revenues from Local Sources</b>	<u>13,481,494</u>		<u>13,481,494</u>	<u>13,474,436</u>	<u>(7,058)</u>
Revenues from State Sources:					
Categorical Transportation Aid	103,197		103,197	103,197	
Extraordinary Aid	135,000		135,000	818,204	683,204
Categorical Special Education Aid	681,485		681,485	681,485	
Categorical Security Aid	47,531		47,531	47,531	
Nonpublic Transportation Aid				18,547	18,547
State Reimbursement for Lead Testing of Drinking Water				1,595	1,595
TPAF Post Retirement Contributions (Non-Budgeted)				452,734	452,734
TPAF Pension Contributions (Non-Budgeted)				1,699,822	1,699,822
TPAF Non-Contributory Insurance (Non-Budgeted)				23,583	23,583
TPAF Long-Term Disability Insurance (Non-Budgeted)				621	621
Reimbursed TPAF Social Security Contributions				371,716	371,716
<b>Total Revenues from State Sources</b>	<u>967,213</u>		<u>967,213</u>	<u>4,219,035</u>	<u>3,251,822</u>
Revenues from Federal Sources:					
FEMA Reimbursement				86,865	86,865
<b>Total Revenues from Federal Sources</b>				<u>86,865</u>	<u>86,865</u>
<b>TOTAL REVENUE</b>	<u>14,448,707</u>		<u>14,448,707</u>	<u>17,780,336</u>	<u>3,331,629</u>



ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>GENERAL CURRENT EXPENSE</b>					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	\$ 167,630	\$ (18,250)	\$ 149,380	\$ 146,647	\$ 2,733
Kindergarten - Salaries of Teachers	275,371	(96,077)	179,294	179,294	
Grades 1-5 - Salaries of Teachers	1,373,951	(54,762)	1,319,189	1,316,174	3,015
Grades 6-8 - Salaries of Teachers	992,347	28,685	1,021,032	1,020,024	1,008
Regular Programs - Home Instruction:					
Salaries of Teachers	2,000		2,000		2,000
Purchased Professional-Educational Services	796		796	780	16
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	4	15,006	15,010	14,506	504
Purchased Technical Services	45,440	(4,932)	40,508	35,055	5,453
Other Purchased Services (400-500 series)	183,924	(663)	183,261	178,708	4,553
General Supplies	152,694	2,014	154,708	130,640	24,068
Textbooks	33,446	(279)	33,167	32,072	1,095
<b>Total Regular Programs - Instruction</b>	<u>3,227,603</u>	<u>(129,258)</u>	<u>3,098,345</u>	<u>3,053,900</u>	<u>44,445</u>
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	155,015	89,501	244,516	244,515	1
Other Salaries for Instruction	70,054	14,571	84,625	84,625	
General Supplies	1,171	(334)	837	777	60
<b>Total Multiple Disabilities</b>	<u>226,240</u>	<u>103,738</u>	<u>329,978</u>	<u>329,917</u>	<u>61</u>
Resource Room/Resource Center:					
Salaries of Teachers	739,981	(74,177)	665,804	664,581	1,223
Other Salaries for Instruction	212,476	(167,804)	44,672	25,671	19,001
General Supplies	2,250	(56)	2,194	19	2,175
<b>Total Resource Room/Resource Center</b>	<u>954,707</u>	<u>(242,037)</u>	<u>712,670</u>	<u>690,271</u>	<u>22,399</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	\$ 81,715		\$ 81,715	\$ 81,503	\$ 212
Other Salaries for Instruction	101,852	\$ (12,040)	89,812	51,067	38,745
General Supplies	250	279	529	474	55
Total Preschool Disabilities - Full-Time	<u>183,817</u>	<u>(11,761)</u>	<u>172,056</u>	<u>133,044</u>	<u>39,012</u>
Home Instruction:					
Purchased Professional-Educational Services	2,000		2,000		2,000
Total Home Instruction	<u>2,000</u>		<u>2,000</u>		<u>2,000</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>1,366,764</u>	<u>(150,060)</u>	<u>1,216,704</u>	<u>1,153,232</u>	<u>63,472</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	234,454	(54,409)	180,045	179,971	74
General Supplies	750		750		750
Total Basic Skills/Remedial - Instruction	<u>235,204</u>	<u>(54,409)</u>	<u>180,795</u>	<u>179,971</u>	<u>824</u>
Bilingual Education - Instruction:					
Salaries of Teachers	56,815	27,859	84,674	84,674	
General Supplies		295	295	295	
Total Bilingual Education - Instruction	<u>56,815</u>	<u>28,154</u>	<u>84,969</u>	<u>84,969</u>	

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
School-Spon. Cocurricular & Extracurricular Actvts. - Inst.:					
Salaries	\$ 17,000		\$ 17,000	\$ 14,641	\$ 2,359
Purchased Services (300-500 series)	11,180	\$ (3,367)	7,813	1,885	5,928
Supplies and Materials	11,180		11,180	8,813	2,367
Total School-Spon. Cocurricular & Extracurricular Actvts. - Inst.	<u>39,360</u>	<u>(3,367)</u>	<u>35,993</u>	<u>25,339</u>	<u>10,654</u>
School-Sponsored Athletics - Instruction:					
Salaries	14,000		14,000	11,425	2,575
Purchased Services (300-500 series)	6,670	885	7,555	6,528	1,027
Supplies and Materials	6,000	(860)	5,140	3,886	1,254
Total School-Sponsored Athletics - Instruction	<u>26,670</u>	<u>25</u>	<u>26,695</u>	<u>21,839</u>	<u>4,856</u>
<b>TOTAL INSTRUCTION</b>	<u>4,952,416</u>	<u>(308,915)</u>	<u>4,643,501</u>	<u>4,519,250</u>	<u>124,251</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	2,094,120	(87,020)	2,007,100	1,982,795	24,305
Tuition to Other LEAs Within the State-Special	451,076	(61,335)	389,741	361,528	28,213
Tuition to County Voc. School Dist.-Regular	216,000	140,446	356,446	356,446	
Tuition to County Voc. School Dist.-Special	345,543	(88,618)	256,925	249,105	7,820
Tuition to CSSD & Reg. Day Schools	539,195	(77,425)	461,770	448,105	13,665
Tuition to Priv. Sch. for the Handicap. W/I State	478,671	54,710	533,381	524,380	9,001
Total Undistributed Expenditures - Instruction	<u>4,124,605</u>	<u>(119,242)</u>	<u>4,005,363</u>	<u>3,922,359</u>	<u>83,004</u>
Undistributed Expend. - Attend. & Social Work:					
Salaries	11,152	249	11,401	11,401	
Purchased Professional and Technical Services	10,680		10,680	10,679	1
Total Undist. Expend. - Attendance and Social Work	<u>21,832</u>	<u>249</u>	<u>22,081</u>	<u>22,080</u>	<u>1</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Health Services:					
Salaries	\$ 95,671	\$ (12,112)	\$ 83,559	\$ 83,299	\$ 260
Purchased Professional and Technical Services	4,200	34,697	38,897	29,496	9,401
Other Purchased Services (400-500 series)	3,047	8,647	11,694	11,616	78
Supplies and Materials	950	496	1,446	1,445	1
Total Undist. Expenditures - Health Services	<u>103,868</u>	<u>31,728</u>	<u>135,596</u>	<u>125,856</u>	<u>9,740</u>
Undist. Expend. - Speech, OT, PT, Related Svcs:					
Salaries	201,792	(3,593)	198,199	198,199	
Purchased Professional - Educational Services	71,630	(2,743)	68,887	54,501	14,386
Supplies and Materials	1,557	(437)	1,120	1,120	
Total Undist. Expend. - Speech, OT, PT, Related Svcs	<u>274,979</u>	<u>(6,773)</u>	<u>268,206</u>	<u>253,820</u>	<u>14,386</u>
Undist.Expend.-Other Supp.Serv.Students-Extra.Serv.:					
Salaries	93,404	32,207	125,611	125,611	
Purchased Professional - Educational Services	75,979	85,502	161,481	95,080	66,401
Total Undist. Expend. - Other Supp. Svcs. Students - Extra. Serv.	<u>169,383</u>	<u>117,709</u>	<u>287,092</u>	<u>220,691</u>	<u>66,401</u>
Undist.Expend.-Guidance:					
Salaries of Other Professional Staff	85,505	18,474	103,979	103,979	
Purchased Professional - Educational Services	8,764	1,750	10,514	10,514	
Supplies and Materials	400	73	473	473	
Total Undist Expend. - Guidance	<u>94,669</u>	<u>20,297</u>	<u>114,966</u>	<u>114,966</u>	
Undist. Expend.-Child Study Team:					
Salaries of Other Professional Staff	444,147	(26,505)	417,642	417,642	
Salaries of Secretarial and Clerical Assistants		51,826	51,826	51,826	
Other Salaries		556	556	320	236
Purchased Professional - Educational Services	17,389	(3,326)	14,063	13,136	927
Supplies and Materials	2,974		2,974	1,596	1,378
Other Objects	1,680	650	2,330	2,330	
Total Undist Expend. - Child Study Team	<u>466,190</u>	<u>23,201</u>	<u>489,391</u>	<u>486,850</u>	<u>2,541</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend.-Improv. of Inst. Serv.:					
Salaries of Supervisors of Instruction	\$ 100,354	\$ 5,776	\$ 106,130	\$ 104,671	\$ 1,459
Salaries of Other Professional Staff	1,950	1,950	1,950	1,950	
Purchased Professional - Educational Services	10,095	(6,202)	3,893	3,305	588
Other Purchased Services (400-500 series)		320	320	317	3
Supplies and Materials	504	956	1,460	1,460	
Other Objects	8,299	(5,542)	2,757	2,757	
Total Undist. Expend.-Improv. of Inst. Serv.	<u>119,252</u>	<u>(2,742)</u>	<u>116,510</u>	<u>114,460</u>	<u>2,050</u>
Undist. Expend.-Edu. Media Serv./Sch. Library:					
Salaries	77,065	(23,268)	53,797	53,797	
Other Purchased Services (400-500 series)	6,784		6,784	6,375	409
Supplies and Materials	1,800	(1,062)	738	738	
Total Undist Expend-Edu. Media Serv./Sch. Library	<u>85,649</u>	<u>(24,330)</u>	<u>61,319</u>	<u>60,172</u>	<u>1,147</u>
Undist.Expend.-Instructional Staff Training Services:					
Salaries of Secretarial and Clerical Assistants		268	268	268	
Purchased Professional - Educational Service	4,175	794	4,969	4,469	500
Total Undist.Expend.-Instructional Staff Training Services	<u>4,175</u>	<u>1,062</u>	<u>5,237</u>	<u>4,737</u>	<u>500</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Support Serv.-Gen. Admin.:					
Salaries	\$ 252,497		\$ 252,497	\$ 251,621	\$ 876
Legal Services	45,470	\$ 11,155	56,625	53,822	2,803
Audit Fees	26,000	5,950	31,950	31,950	
Other Purchased Professional Services	5,000	11,250	16,250	16,250	
Purchased Technical Services	10,760	(2,351)	8,409	8,230	179
Communications / Telephone	25,400	(3,386)	22,014	18,089	3,925
BOE Other Purchased Services	4,000	(149)	3,851	2,039	1,812
Other Purch. Serv. (400-500 series other than 530 & 585)	6,400	1,101	7,501	7,061	440
General Supplies	1,964	(329)	1,635	1,341	294
BOE Membership Dues and Fees	10,923	75	10,998	10,998	
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>388,414</u>	<u>23,316</u>	<u>411,730</u>	<u>401,401</u>	<u>10,329</u>
Undist. Expend.-Support Serv.-School Admin.:					
Salaries of Principals/Assistant Principals/Prog Director	120,411	9,237	129,648	129,648	
Salaries of Secretarial and Clerical Assistants	58,441	(2,339)	56,102	55,102	1,000
Other Purchased Services (400-500 series)	1,500	(458)	1,042	1,042	
Supplies and Materials	5,206	1,975	7,181	7,181	
Other Objects	1,445	(215)	1,230	1,230	
Total Undist. Expend.-Support Serv.-School Adm.	<u>187,003</u>	<u>8,200</u>	<u>195,203</u>	<u>194,203</u>	<u>1,000</u>
Undist. Expend. - Central Services:					
Salaries	147,476	18,960	166,436	166,436	
Purchased Professional Services	32,550	(1,363)	31,187	30,790	397
Purchased Technical Services	33,701	(3,300)	30,401	27,190	3,211
Miscellaneous Purchased Services (400-500 series other than 594)	3,980	2,357	6,337	6,040	297
Supplies and Materials	4,067	133	4,200	4,200	
Other Objects	1,805	560	2,365	2,365	
Total Undist. Expend. - Central Services	<u>223,579</u>	<u>17,347</u>	<u>240,926</u>	<u>237,021</u>	<u>3,905</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Admin. Info. Technology:					
Salaries	\$ 89,527	\$ 1,633	\$ 91,160	\$ 91,100	\$ 60
Purchased Technical Services	44,683	5,404	50,087	49,901	186
Other Purchased Services (400-500 series)	1,665	(1,665)			
Supplies and Materials	4,927	3,046	7,973	6,215	1,758
Other Objects	2,500	(2,320)	180	180	
Total Undist. Expend. - Admin. Info. Technology	<u>143,302</u>	<u>6,098</u>	<u>149,400</u>	<u>147,396</u>	<u>2,004</u>
Undist. Expend.-Required Maintenance for School Facilities:					
Salaries	77,546	(3,765)	73,781	73,781	
Cleaning, Repair, and Maintenance Services	153,619	111,119	264,738	253,215	11,523
General Supplies	23,582	(13,078)	10,504	8,465	2,039
Other Objects	450	296	746	746	
Total Undist. Expend.- Required Maint. for School Facilities	<u>255,197</u>	<u>94,572</u>	<u>349,769</u>	<u>336,207</u>	<u>13,562</u>
Undist. Expend.-Custodial Services:					
Salaries	256,801	(11,616)	245,185	241,149	4,036
Salaries of Non-Instructional Aides	51,264	(51,234)	30	30	
Purchased Professional and Technical Services		4,388	4,388	4,388	
Insurance	103,684	9,031	112,715	112,715	
General Supplies	28,913	(2,190)	26,723	25,348	1,375
Energy (Natural Gas)	14,785	19,275	34,060	23,746	10,314
Energy (Electricity)	22,762	54,429	77,191	66,627	10,564
Other Objects	400	(400)			
Interest - Energy Savings Impr Prog Bonds	21,314	(906)	20,408	20,408	
Principal - Energy Savings Impr Prog Bonds	1,990		1,990	1,990	
Total Undist. Expend.-Custodial Services	<u>501,913</u>	<u>20,777</u>	<u>522,690</u>	<u>496,371</u>	<u>26,319</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Care and Upkeep of Grounds:					
Purchased Professional and Technical Services	\$ 1,325	\$ 16,350	\$ 17,675	\$ 17,675	
Cleaning, Repair, and Maintenance Services	956	(956)			
General Supplies		727	727	727	
Other Objects		500	500	360	\$ 140
Total Care And Upkeep Of Grounds	<u>2,281</u>	<u>16,621</u>	<u>18,902</u>	<u>18,762</u>	<u>140</u>
Security:					
Purchased Professional and Technical Services		37,586	37,586	31,918	5,668
General Supplies	3,501	134	3,635	3,526	109
Total Security	<u>3,501</u>	<u>37,720</u>	<u>41,221</u>	<u>35,444</u>	<u>5,777</u>
Total Undist. Expend.- Oper. And Maint. Of Plant Serv.	<u>762,892</u>	<u>169,690</u>	<u>932,582</u>	<u>886,784</u>	<u>45,798</u>
Undist. Expend.-Student Transportation Serv.:					
Sal. for Pupil Trans. (Bet. Home and Sch.)-Reg.	19,293	(71)	19,222	18,981	241
Contract. Serv. - Aid in Lieu of Payments-Nonpublic Studts	55,700	(9,521)	46,179	40,200	5,979
Contract. Serv.(Oth. than Bet. Home & Sch.)-Vend.		7,339	7,339	432	6,907
Contract. Serv.(Reg. Students)-ESCs & CTSAs	218,801	53,435	272,236	270,808	1,428
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSAs	397,752	30,258	428,010	384,805	43,205
Total Undist. Expend.-Student Trans. Serv.	<u>691,546</u>	<u>81,440</u>	<u>772,986</u>	<u>715,226</u>	<u>57,760</u>



ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
UNALLOCATED BENEFITS					
Group Insurance	\$ 107,434		\$ 107,434	\$ 105,049	\$ 2,385
Social Security Contributions	98,560	(2,241)	96,319	95,815	504
Other Retirement Contributions - PERS	16,381	13	16,394	16,394	
Other Retirement Contributions - Regular	63,656	1,027	64,683	64,683	
Workers Compensation	1,377,517	(35,295)	1,342,222	1,326,084	16,138
Health Benefits	48,366	1	48,367	41,883	6,484
Tuition Reimbursement	3,980	(1,840)	2,140	(5,677)	7,817
Other Employee Benefits	1,715,894	(38,335)	1,677,559	1,644,231	33,328
TOTAL UNALLOCATED BENEFITS					
ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)					
TPAF Post Retirement Contributions (Non-Budgeted)				452,734	(452,734)
TPAF Pension Contributions (Non-Budgeted)				1,699,822	(1,699,822)
TPAF Non-Contributory Insurance (Non-Budgeted)				23,583	(23,583)
TPAF Long-Term Disability Insurance (Non-Budgeted)				621	(621)
Reimbursed TPAF Social Security Contributions				371,716	(371,716)
TOTAL ON-BEHALF CONTRIBUTIONS (NON-BUDGETED)				2,548,476	(2,548,476)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	1,715,894	(38,335)	1,677,559	4,192,707	(2,515,148)
TOTAL UNDISTRIBUTED EXPENDITURES	9,577,232	308,915	9,886,147	12,100,729	(2,214,582)
TOTAL GENERAL CURRENT EXPENSE	14,529,648		14,529,648	16,619,979	(2,090,331)

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>CAPITAL OUTLAY</b>					
Equipment					
Grades 1-5	\$ 19,917		\$ 19,917	\$ 19,917	
Grades 6-8	19,917		19,917	19,917	
Undistributed:					
Undistributed Expenditures - Instruction		\$ 5,947	5,947	5,947	
Total Equipment	<u>39,834</u>	<u>5,947</u>	<u>45,781</u>	<u>45,781</u>	
Facilities Acquisition and Construction Serv.:					
Architectural/Engineering Services	75,000	(50,000)	25,000	13,498	\$ 11,502
Construction Services	280,510	273,983	554,493	458,161	96,332
Supplies and Materials	148,876	70,070	218,946	203,946	15,000
Assessment for Debt Service on SDA Funding	14,603		14,603	14,603	
Total Facilities Acquisition and Const. Serv.	<u>518,989</u>	<u>294,053</u>	<u>813,042</u>	<u>690,208</u>	<u>122,834</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>558,823</u>	<u>300,000</u>	<u>858,823</u>	<u>735,989</u>	<u>122,834</u>
Transfer of Funds to Charter Schools	<u>84,697</u>		<u>84,697</u>	<u>37,222</u>	<u>47,475</u>
<b>TOTAL EXPENDITURES</b>	<u>15,173,168</u>	<u>300,000</u>	<u>15,473,168</u>	<u>17,393,190</u>	<u>(1,920,022)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	<u>(724,461)</u>	<u>(300,000)</u>	<u>(1,024,461)</u>	<u>387,146</u>	<u>1,411,607</u>
Other Financing Sources/(Uses):					
Capital Reserve - Transfer to Capital Projects Fund	(300,000)	300,000			
Cancellation of Intergovernmental Receivable - Other				(100,402)	(100,402)
Total Other Financing Sources/(Uses)	<u>(300,000)</u>	<u>300,000</u>		<u>(100,402)</u>	<u>(100,402)</u>

ROCHELLE PARK SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess/(Deficit) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(1,024,461)		(1,024,461)	286,744	1,311,205
Fund Balance, July 1	\$ 3,284,394		\$ 3,284,394	\$ 3,284,394	
Fund Balance, June 30	<u>\$ 2,259,933</u>	<u>\$ -0-</u>	<u>\$ 2,259,933</u>	<u>\$ 3,571,138</u>	<u>\$ 1,311,205</u>
<u>Recapitulation:</u>					
Restricted Fund Balance:					
Excess Surplus - Restricted For 2024-2025				\$ 250,000	
Excess Surplus - Restricted For 2023-2024				250,000	
Capital Reserve				1,076,548	
Unemployment Compensation				48,573	
Maintenance Reserve				400,000	
Assigned Fund Balance:					
Year End Encumbrances				52,745	
Designated for Subsequent Year's Expenditures				494,627	
Unassigned Fund Balance				<u>998,645</u>	
				<u>3,571,138</u>	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				<u>(46,837)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 3,524,301</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources	\$ 171,892	\$ 109,469	\$ 109,469	\$ 105,442	\$ (4,027)
Federal Sources		854,748	1,026,640	501,870	(524,770)
<b>Total Revenues</b>	<b>171,892</b>	<b>964,217</b>	<b>1,136,109</b>	<b>607,312</b>	<b>(528,797)</b>
<b>EXPENDITURES:</b>					
Instruction					
Salaries	25,000	86,956	111,956	41,706	70,250
Purchased Services	10,000	12,619	22,619	14,119	8,500
Tuition	126,195	42,403	168,598	168,598	
General Supplies	1,092	171,612	172,704	103,075	69,629
<b>Total Instruction</b>	<b>162,287</b>	<b>313,590</b>	<b>475,877</b>	<b>327,498</b>	<b>148,379</b>
Support Services					
Salaries		147,545	147,545	29,979	117,566
Personal Services - Employee Benefits		13,965	13,965	11,311	2,654
Purchased Technical Services	9,605	168,893	178,498	80,247	98,251
Other Purchased Services		36,817	36,817	31,677	5,140
Supplies and Materials		15,000	15,000	5,633	9,367
Contracted Services - Transportation		37,500	37,500	37,500	
Student Activities		80,907	80,907	64,680	16,227
<b>Total Support Services</b>	<b>9,605</b>	<b>500,627</b>	<b>510,232</b>	<b>261,027</b>	<b>249,205</b>
Facilities Acquisition and Construction Services:					
Buildings		150,000	150,000	2,560	147,440
<b>Total Facilities Acquisition and Construction Services</b>		<b>150,000</b>	<b>150,000</b>	<b>2,560</b>	<b>147,440</b>
<b>Total Expenditures</b>	<b>171,892</b>	<b>964,217</b>	<b>1,136,109</b>	<b>591,085</b>	<b>545,024</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ 16,227	\$ (16,227)

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

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 17,780,336	\$ 607,312
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, while the GAAP Basis does not:		
Current Year Encumbrances		(2,209)
Cancellation of Prior Year Encumbrances		(1,200)
Prior Year Encumbrances		74,509
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	39,309	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(46,837)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 17,772,808	\$ 678,412
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 17,393,190	\$ 591,085
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		71,100
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 17,393,190	\$ 662,185

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

Budgets/Budgetary Control:

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

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

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

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

SCHOOL LEVEL SCHEDULES  
(NOT APPLICABLE)

SPECIAL REVENUE FUND



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

	IDEA, ARP		CRRSA		Mental Health	IDEA, Part B		ARP					
	Preschool		ESSER II			Basic	Preschool	ESSER III	Mental Health				
<b>REVENUES:</b>													
Local Sources	650	\$	88,252	\$	20,279	\$	131,367	\$	5,933	\$	77,911	\$	32,682
Federal Sources													
<b>Total Revenues</b>	<b>650</b>		<b>88,252</b>		<b>20,279</b>		<b>131,367</b>		<b>5,933</b>		<b>77,911</b>		<b>32,682</b>
<b>EXPENDITURES:</b>													
Instruction:													
Salaries			3,155		12,398								
Purchased Services					6,686		131,367		5,933		39,846		
Tuition													
General Supplies			24,429										
<b>Total Instruction</b>			<b>27,584</b>		<b>19,084</b>		<b>131,367</b>		<b>5,933</b>		<b>39,846</b>		
Support Services:													
Salaries			4,108								4,500		21,371
Personal Services - Employee Benefits													11,311
Professional Technical Services	650		44,180		1,195						25,372		
Other Purchased Services			12,380										
Supplies & Materials											5,633		
Contracted Services - Transportation													
Student Activities													
<b>Total Support Services</b>	<b>650</b>		<b>60,668</b>		<b>1,195</b>						<b>35,505</b>		<b>32,682</b>
Facilities Acquisition and Construction Services:													
Buildings											2,560		
<b>Total Facilities Acquisition and Construction Services</b>											<b>2,560</b>		
<b>Total Expenditures</b>	<b>650</b>	<b>\$</b>	<b>88,252</b>	<b>\$</b>	<b>20,279</b>	<b>\$</b>	<b>131,367</b>	<b>\$</b>	<b>5,933</b>	<b>\$</b>	<b>77,911</b>	<b>\$</b>	<b>32,682</b>

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

	Elementary and Secondary Education Act		ACRSERS	Student Activities	Local	Totals
	Title I	Title II - Part A				
<b>REVENUES:</b>						
Local Sources				\$ 80,907	\$ 24,535	\$ 105,442
Federal Sources	\$ 56,353	\$ 12,212	\$ 74,731			\$ 501,870
<b>Total Revenues</b>	<b>56,353</b>	<b>12,212</b>	<b>74,731</b>	<b>80,907</b>	<b>24,535</b>	<b>607,312</b>
<b>EXPENDITURES:</b>						
Instruction:						
Salaries	26,153					41,706
Purchased Services		1,500	37,231			14,119
Tuition						168,598
General Supplies	14,265				24,535	103,075
<b>Total Instruction</b>	<b>40,418</b>	<b>1,500</b>	<b>37,231</b>		<b>24,535</b>	<b>327,498</b>
Support Services:						
Salaries						29,979
Personal Services - Employee Benefits						11,311
Professional Technical Services	8,850					80,247
Other Purchased Services	7,085	12,212				31,677
Supplies & Materials						5,633
Contracted Services - Transportation			37,500			37,500
Student Activities				64,680		64,680
<b>Total Support Services</b>	<b>15,935</b>	<b>12,212</b>	<b>37,500</b>	<b>64,680</b>		<b>261,027</b>
Facilities Acquisition and Construction Services:						
Buildings						2,560
<b>Total Facilities Acquisition and Construction Services</b>						<b>2,560</b>
<b>Total Expenditures</b>	<b>\$ 56,353</b>	<b>\$ 12,212</b>	<b>\$ 74,731</b>	<b>\$ 64,680</b>	<b>\$ 24,535</b>	<b>\$ 591,085</b>

CAPITAL PROJECTS FUND

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

Expenditures:	
Construction Services	\$ 2,245
Total Expenditures	<u>2,245</u>
Deficit of Revenue and Other Financing Sources Under Expenditures	(2,245)
Fund Balance - Beginning Balance	<u>102,284</u>
Fund Balance - Ending Balance	<u><u>\$ 100,039</u></u>
Recapitulation of Fund Balance:	
Restricted	\$ 12,064
Committed	87,975
Fund Balance per Governmental Funds (Budgetary Basis)	<u>100,039</u>
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grants not Recognized on the GAAP Basis	<u>(122,200)</u>
Fund Balance/(Deficit) per Governmental Funds (GAAP)	<u><u>\$ (22,161)</u></u>

ROCHELLE PARK SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
INFRASTRUCTURE REPAIRS AND BUILDING SECURITY ENHANCEMENTS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 6,513,000		\$ 6,513,000	\$ 6,513,000
Total Revenue and Other Financing Sources	6,513,000		6,513,000	6,513,000
Expenditures:				
Other Purchased Professional and Technical Services	722,370		722,370	722,370
Legal Services	71,533		71,533	71,533
Construction Services	5,339,958	\$ 2,245	5,342,203	5,331,458
General Supplies	145		145	145
Other Objects	364,685		364,685	387,494
Total Expenditures	6,498,691	2,245	6,500,936	6,513,000
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 14,309	\$ (2,245)	\$ 12,064	\$ 0

Additional Project Information:

State Project Numbers:	4470-050-14-4000
Bond Authorization Date	4470-050-14-5000
Bonds Authorized	12/10/2013
Bonds Issued	\$ 6,513,000
Original Authorized Cost	6,513,000
Additional Authorized Cost	-0-
Revised Authorized Cost	6,513,000
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100%
Original Target Completion Date	8/31/2015
Revised Target Completion Date	8/31/2023

ROCHELLE PARK SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCES, AND PROJECT STATUS  
BUDGETARY BASIS  
MIDLAND ELEMENTARY SCHOOL - SPRINKLER SYSTEM CONSTRUCTION SERVICES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Prior Periods	Current Year	Total	Authorized Cost
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 122,200	\$	\$ 122,200	\$ 122,200
Transfer from Capital Reserve	183,300		183,300	183,300
Total Revenue and Other Financing Sources	305,500		305,500	305,500
Expenditures:				
Other Purchased Professional and Technical Services	26,361		26,361	40,500
Legal Services				6,500
Construction Services	190,804		190,804	235,000
Other Objects	360		360	23,500
Total Expenditures	217,525		217,525	305,500
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 87,975	\$ -0-	\$ 87,975	\$ -0-

**Additional Project Information:**

Project Numbers	4470-050-14-1003
Grant Date	1/6/2014
Original Authorized Cost	\$ 305,500
Additional Authorized Cost	-0-
Revised Authorized Cost	305,500
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	71%
Original Target Completion Date	8/31/2014
Revised Target Completion Date	9/30/2023

PROPRIETARY FUNDS

ROCHELLE PARK SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023

	<u>Non Major Funds</u>		<u>Total</u>
	<u>Care Program</u>	<u>Food Service</u>	
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 61,192	\$ 39,386	\$ 100,578
Accounts Receivable:			
Federal		6,547	6,547
State		313	313
Other Receivables		4,555	4,555
Interfund Receivable - General Fund		33,935	33,935
Inventory		3,792	3,792
Total Current Assets	<u>61,192</u>	<u>88,528</u>	<u>149,720</u>
Non-Current Assets:			
Capital Assets	9,580	79,719	89,299
Accumulated Depreciation	<u>(9,580)</u>	<u>(51,226)</u>	<u>(60,806)</u>
Total Non-Current Assets		<u>28,493</u>	<u>28,493</u>
Total Assets	<u>61,192</u>	<u>117,021</u>	<u>178,213</u>
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts Payable - Vendors		8,637	8,637
Unearned Revenue - Donated Commodities		733	733
Unearned Revenue - Supply			
Chain Assistance		24,718	24,718
Unearned Revenue - Prepaid Sales		4,015	4,015
Total Current Liabilities		<u>38,103</u>	<u>38,103</u>
<u>NET POSITION:</u>			
Investment in Capital Assets		28,493	28,493
Unrestricted	<u>61,192</u>	<u>50,425</u>	<u>111,617</u>
Total Net Position	<u>\$ 61,192</u>	<u>\$ 78,918</u>	<u>\$ 140,110</u>



ROCHELLE PARK SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUE, EXPENSES  
AND CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Non Major Funds</u>		<u>Total</u>
	<u>Care Program</u>	<u>Food Service</u>	
Operating Revenue:			
Local Sources:			
Daily Sales - Reimbursable Programs		\$ 90,209	\$ 90,209
Daily Sales - Nonreimbursable Meals		72,734	72,734
Program Fees	\$ 188,422		188,422
Total Operating Revenue	<u>188,422</u>	<u>162,943</u>	<u>351,365</u>
Operating Expenses:			
Cost of Sales for Reimbursable Programs		70,891	70,891
Cost of Sales for Nonreimbursable Programs		58,230	58,230
Salaries, Benefits & Payroll Taxes	106,067	148,952	255,019
Other Purchased Services	5,950	22,258	28,208
Management Fee		17,373	17,373
Supplies and Materials	4,188	11,385	15,573
Utilities	30,000		30,000
Depreciation		3,957	3,957
Total Operating Expenses	<u>146,205</u>	<u>333,046</u>	<u>479,251</u>
Operating Income/(Loss)	<u>42,217</u>	<u>(170,103)</u>	<u>(127,886)</u>
Non-Operating Revenue:			
Federal Sources:			
National School Lunch		87,023	87,023
School Breakfast Program		601	601
Food Distribution Program		23,933	23,933
Supply Chain Assistance Program		11,714	11,714
Paycheck Protection Program Loan Reimbursement from Food Service Management Contractor		11,561	11,561
State Sources:			
State School Lunch Program		4,039	4,039
State School Breakfast Program		6	6
Total Non-Operating Revenue		<u>138,877</u>	<u>138,877</u>
Change in Net Position	42,217	(31,226)	10,991
Net Position - Beginning of Year	<u>18,975</u>	<u>110,144</u>	<u>129,119</u>
Net Position - End of Year	<u>\$ 61,192</u>	<u>\$ 78,918</u>	<u>\$ 140,110</u>

ROCHELLE PARK SCHOOL DISTRICT  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Non Major Funds</u>		
	<u>Care Program</u>	<u>Food Service</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 188,422	\$ 158,311	\$ 346,733
Payments to/for Employees	(106,067)	(40,749)	(146,816)
Payments to Food Service Contractor		(254,709)	(254,709)
Payments to Suppliers	(49,981)	(18,552)	(68,533)
Net Cash Provided by/(Used for) Operating Activities	<u>32,374</u>	<u>(155,699)</u>	<u>(123,325)</u>
Cash Flows from Noncapital Financing Activities:			
Collected in Food Service Fund:			
Cash Received from General Fund - Interfund		36,603	36,603
Cash Received From Federal Reimbursements/Grants in Food Service Fund		124,516	124,516
Cash Received From State Reimbursements in Food Service Fund		3,131	3,131
Net Cash Provided by Noncapital Financing Activities		<u>164,250</u>	<u>164,250</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	32,374	8,551	40,925
Cash and Cash Equivalents, July 1	<u>28,818</u>	<u>30,835</u>	<u>59,653</u>
Cash and Cash Equivalents, June 30	<u>\$ 61,192</u>	<u>\$ 39,386</u>	<u>\$ 100,578</u>
Reconciliation of Operating Income/(Loss) to Net Cash			
Provided by/(Used for) Operating Activities:	\$ 42,217	\$ (170,103)	\$(127,886)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash			
Provided by/(Used for) Operating Activities:			
Depreciation		3,957	3,957
Food Distribution Program		23,933	23,933
Changes in Assets and Liabilities:			
Decrease/(Increase) in Inventory		654	654
(Increase)/Decrease in Other Accounts Receivable		(4,555)	(4,555)
Increase/(Decrease) in Accounts Payable	(9,843)	(8,380)	(18,223)
Increase/(Decrease) in Unearned Revenue - Prepaid Sales		(76)	(76)
Increase/(Decrease) in Unearned Revenue - Donated Commodities		(1,129)	(1,129)
Net Cash Provided by/(Used for) Operating Activities	<u>\$ 32,374</u>	<u>\$ (155,699)</u>	<u>\$(123,325)</u>

Noncash Investing and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A Commodities Through the Food Distribution Program Valued at \$22,804 and utilized \$23,933 for the fiscal year ended June 30, 2023.

FIDUCIARY ACTIVITIES  
(NOT APPLICABLE)

LONG-TERM LIABILITIES

ROCHELLE PARK SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds			Interest Rate	Balance July 1, 2022	Matured	Balance June 30, 2023
			Outstanding		Amount				
			Date	June 30, 2023					
School Bonds- Series 2014 - Infrastructure Repairs and Building Security Enhancements	03/27/14	\$ 6,513,000	3/15/2024	\$ 338,000	\$ 338,000	3.000 %	\$ 4,513,000	\$ 325,000	\$ 4,188,000
			3/15/2025	350,000	350,000	3.000 %			
			3/15/2026	350,000	350,000	3.000 %			
			3/15/2027	350,000	350,000	3.000 %			
			3/15/2028	350,000	350,000	3.000 %			
			3/15/2029	350,000	350,000	3.000 %			
			3/15/2030	350,000	350,000	3.000 %			
			3/15/2031	350,000	350,000	3.125 %			
			3/15/2032	350,000	350,000	3.250 %			
			3/15/2033	350,000	350,000	3.250 %			
			3/15/2034	350,000	350,000	3.500 %			
		3/15/2035	350,000	350,000	3.500 %				
						<u>\$ 4,513,000</u>	<u>\$ 325,000</u>	<u>\$ 4,188,000</u>	

ROCHELLE PARK SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2022</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>
Energy Conservation Measures	2.42%	\$ 230,000	\$ 87,157	\$ 20,408	\$ 66,749
Whiteboards	3.40%	399,460	<u>260,801</u>	<u>79,350</u>	<u>181,451</u>
			<u>\$ 347,958</u>	<u>\$ 99,758</u>	<u>\$ 248,200</u>

ROCHELLE PARK SCHOOL DISTRICT  
LONG-TERM LIABILITIES  
SCHEDULE OF OBLIGATIONS UNDER LEASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2022</u>	<u>Retirements</u>	<u>Balance June 30, 2023</u>
Savin Copiers	4.40%	\$ 131,347	\$ 56,084	\$ 27,347	\$ 28,737
Technology Equipment	3.40%	131,206	89,921	25,916	64,005
Savin Copier	6.30%	12,782	11,677	2,317	9,360
			<u>\$ 157,682</u>	<u>\$ 55,580</u>	<u>\$ 102,102</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 307,612		\$ 307,612	\$ 307,612	
State Sources:					
Debt Service Aid	158,466		158,466	158,466	
Total Revenues	466,078		466,078	466,078	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	158,466	\$ (17,388)	141,078	141,077	\$ 1
Redemption of Principal	307,612	17,388	325,000	325,000	
Total Regular Debt Service	466,078		466,078	466,077	1
Total Expenditures	466,078		466,078	466,077	1
Excess/(Deficiency) of Revenues Over/(Under) Expenditures				1	1
Fund Balance, July 1	1		1	1	
Fund Balance, June 30	\$ 1	\$ -0-	\$ 1	\$ 2	\$ 1
Recapitulation:					
Restricted			\$ 1	1	
Restricted - Designated for Subsequent Year's Expenditures			\$ 1	1	
			\$ 2	2	



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

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

**Contents**

**Exhibit**

**Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

**Revenue Capacity**

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

**Operating Information**

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

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

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

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 967,901	\$ 1,149,409	\$ 1,183,574	\$ 2,250,181	\$ 2,989,685	\$ 3,068,296	\$ 3,324,871	\$ 3,924,696	\$ 4,520,856	\$ 5,241,449
Restricted	776,812	629,046	1,957,283	1,774,495	1,862,381	2,157,188	1,975,052	1,838,628	1,845,943	2,081,278
Unrestricted/(Deficit)	(1,481,367)	(1,401,736)	(1,781,180)	(1,751,032)	(1,838,031)	(1,723,080)	(1,173,778)	(816,010)	(127,986)	98,957
Total Governmental Activities Net Position	\$ 263,346	\$ 376,719	\$ 1,359,677	\$ 2,273,644	\$ 3,014,035	\$ 3,502,404	\$ 4,126,145	\$ 4,947,314	\$ 6,238,813	\$ 7,421,684
<b>Business-Type Activities</b>										
Investment in Capital Assets	\$ 27,429	\$ 26,023	\$ 19,626	\$ 7,656	\$ 4,007	\$ 10,372	\$ 8,919	\$ 12,786	\$ 32,450	\$ 28,493
Unrestricted	54,956	56,719	113,269	118,659	126,772	120,334	34,937	43,376	96,669	111,617
Total Business-Type Activities Net Position	\$ 82,385	\$ 82,742	\$ 132,895	\$ 126,315	\$ 130,779	\$ 130,706	\$ 43,856	\$ 56,162	\$ 129,119	\$ 140,110
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 995,330	\$ 1,175,432	\$ 995,330	\$ 2,257,837	\$ 2,993,692	\$ 3,078,668	\$ 3,333,790	\$ 3,937,482	\$ 4,553,306	\$ 5,269,942
Restricted	776,812	629,046	776,812	1,774,495	1,862,381	2,157,188	1,975,052	1,838,628	1,845,943	2,081,278
Unrestricted/(Deficit)	(1,426,411)	(1,345,017)	(1,667,911)	(1,632,373)	(1,711,259)	(1,602,746)	(1,138,841)	(772,634)	(31,317)	210,574
Total District-Wide Net Position	\$ 345,731	\$ 459,461	\$ 104,231	\$ 2,399,959	\$ 3,144,814	\$ 3,633,110	\$ 4,170,001	\$ 5,003,476	\$ 6,367,932	\$ 7,561,794

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
CHANGE IN NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 3,874,004	\$ 4,599,659	\$ 4,845,825	\$ 5,549,003	\$ 5,535,999	\$ 5,115,289	\$ 4,615,427	\$ 5,292,455	\$ 5,407,554	\$ 5,472,169
Special Education	964,163	1,140,360	1,555,783	1,568,832	2,066,691	2,079,696	1,961,852	1,868,259	1,886,904	2,042,067
Other Special Instruction	353,283	404,569	228,565	267,561	306,006	367,371	406,786	423,286	430,473	446,970
School-Sponsored/Other Instruction	38,778	60,791	116,304	124,482	58,659	56,318	49,043	21,129	35,192	52,860
Support Services:										
Tuition	3,412,474	3,560,980	3,077,760	2,918,034	3,064,743	3,115,857	3,334,545	3,627,327	3,711,063	3,922,359
Student and Instruction Related Services	814,337	858,857	1,129,648	1,305,598	1,391,307	1,322,481	1,715,875	1,564,564	1,535,814	1,778,440
General Administrative Services	275,701	349,459	464,101	472,196	633,946	528,970	452,014	570,735	430,778	531,512
School Administrative Services	286,785	287,788	284,485	293,386	292,407	263,758	257,491	284,466	261,627	298,426
Central Services	213,836	269,338	178,759	145,765	138,318	224,414	235,823	244,375	218,692	274,251
Administration Information Technology	190,560	173,734	169,222	137,699	150,196	138,661	170,705	182,288	152,629	167,248
Plant Operations and Maintenance	675,858	785,920	819,657	1,033,824	1,025,721	872,176	709,661	802,627	259,315	958,930
Pupil Transportation	318,507	344,778	359,645	322,916	318,140	369,662	321,835	366,190	668,596	719,361
Unallocated Depreciation	52,149	52,149	50,434	40,639	227	194,118	60,089	60,910	95,245	37,222
Transfer of Funds to Charter Schools	73,215	102,716	18,820	51,559	70,831	64,137	40,155	14,603	70,579	44,871
Capital Outlay	32,600	32,600	71,654	16,238	31,160	21,573	14,603	14,603	148,129	138,379
Interest on Long-Term Debt	83,183	218,786	212,181	188,909	183,875	174,793	166,545	154,845	148,129	138,379
Total Governmental Activities Expenses	11,626,833	13,242,484	13,582,843	14,436,641	15,268,226	14,909,274	14,512,449	15,478,059	15,312,590	16,885,065
<b>Expenses:</b>										
Business-Type Activities:										
Food Service	193,903	212,045	180,128	237,107	188,640	206,777	174,896	189,640	306,754	333,046
Care and Preschool Programs	280,714	151,003	123,454	170,513	189,438	222,883	195,635	1,978	146,924	146,205
Total Business-Type Activities Expense	474,617	363,048	303,582	407,620	378,078	429,660	370,531	191,618	453,678	479,251
Total District Expenses	\$ 12,101,450	\$ 13,605,532	\$ 13,886,425	\$ 14,844,261	\$ 15,646,304	\$ 15,338,934	\$ 14,882,980	\$ 15,669,677	\$ 15,766,268	\$ 17,364,316
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services	\$ 1,464,573	\$ 50,310	\$ 67,833	\$ 27,731	\$ 36,881	\$ 36,335	\$ 17,913	\$ 51,635	\$ 118,894	\$ 160,517
Operating Grants and Contributions	1,464,573	2,505,726	2,726,583	3,511,367	3,816,205	3,284,750	2,925,395	3,441,863	3,404,600	4,058,457
Total Governmental Activities Program Revenues	\$ 1,464,573	\$ 2,556,036	\$ 2,794,416	\$ 3,539,098	\$ 3,853,086	\$ 3,321,085	\$ 2,943,308	\$ 3,493,498	\$ 3,523,494	\$ 4,218,974

ROCHELLE PARK SCHOOL DISTRICT  
CHANGE IN NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS  
UNAUDITED  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Business-Type Activities:</b>										
<b>Changes for Services:</b>										
Food Service	\$ 106,788	\$ 110,645	\$ 125,725	\$ 136,512	\$ 190,851	\$ 150,420	\$ 104,660	\$ 3,414	\$ 6,001	\$ 162,943
Care and Preschool Programs	205,557	160,563	166,387	188,831	138,844	208,752	116,847	787	155,358	188,422
Operating Grants and Contributions	59,995	55,281	61,623	75,697	63,656	70,415	62,174	194,404	366,223	138,877
Total Business-Type Activities Program Revenues	372,340	326,489	353,735	401,040	393,351	429,587	283,681	198,605	527,582	490,242
Total District Program Revenues	\$ 1,836,913	\$ 2,882,525	\$ 3,148,151	\$ 3,940,138	\$ 4,246,437	\$ 3,750,672	\$ 3,226,989	\$ 3,692,103	\$ 4,051,076	\$ 4,709,216
<b>Net (Expense)/Revenue:</b>										
Governmental Activities	\$(10,162,260)	\$(10,686,448)	\$(10,788,427)	\$(10,897,543)	\$(11,415,140)	\$(11,588,189)	\$(11,569,141)	\$(11,984,561)	\$(11,789,096)	\$(12,666,091)
Business-Type Activities	(102,277)	(36,559)	50,153	(6,580)	15,273	(73)	(86,850)	6,987	73,904	10,991
Total District-Wide Net Expense	\$(10,264,537)	\$(10,723,007)	\$(10,738,274)	\$(10,904,123)	\$(11,399,867)	\$(11,588,262)	\$(11,655,991)	\$(11,977,574)	\$(11,715,192)	\$(12,655,100)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 9,963,292	\$ 10,308,529	\$ 10,747,678	\$ 10,978,185	\$ 11,197,749	\$ 11,421,704	\$ 11,638,716	\$ 12,081,602	\$ 12,441,108	\$ 13,313,494
Taxes Levied for Debt Service	273,797	239,228	524,495	453,337	303,816	298,345	309,426	303,485	314,046	307,612
Unrestricted Grants and Contributions	47,095	58,593	312,161	187,892	226,872	203,076	206,675	203,416	161,782	246,926
Miscellaneous Income	124,578	230,166	187,051	192,096	173,042	153,433	166,603	232,875	163,659	81,332
Other Item								(10,904)		(100,402)
Transfers	(20,000)	(36,695)								
Total Governmental Activities	10,388,762	10,799,821	11,771,385	11,811,510	11,901,479	12,076,558	12,321,420	12,810,474	13,080,595	13,848,962
Business-Type Activities:										
Other Items					8,218			5,320	(947)	
Miscellaneous Income	992	221								
Transfers	20,000	36,695								
Total Business-Type Activities	20,992	36,916			8,218			5,320	(947)	
Total District-Wide	\$ 10,409,754	\$ 10,836,737	\$ 11,771,385	\$ 11,811,510	\$ 11,909,697	\$ 12,076,558	\$ 12,321,420	\$ 12,815,794	\$ 13,079,648	\$ 13,848,962
<b>Change in Net Position:</b>										
Governmental Activities	\$ 226,502	\$ 113,373	\$ 982,958	\$ 913,967	\$ 486,339	\$ 488,369	\$ 752,279	\$ 825,913	\$ 1,291,499	\$ 1,182,871
Business-Type Activities	(81,285)	357	50,153	(6,580)	23,491	(73)	(86,850)	12,307	72,957	10,991
Total District	\$ 145,217	\$ 113,730	\$ 1,033,111	\$ 907,387	\$ 509,830	\$ 488,296	\$ 665,429	\$ 838,220	\$ 1,364,456	\$ 1,193,862

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENT FUNDS  
LAST TEN FISCAL YEARS  
 UNAUDITED  
 (modified accrual basis of accounting)

	June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Restricted	\$ 768,971	\$ 606,271	\$ 834,758	\$ 1,308,751	\$ 1,611,437	\$ 1,910,930	\$ 1,877,432	\$ 1,779,738	\$ 1,803,769	\$ 2,025,121
Assigned	124,000	234,875	139,624	281,674	136,192	29,030	606,847	450,792	686,024	547,372
Unassigned	426,277	272,492	235,164	219,030	240,529	338,017	248,022	599,070	755,292	951,808
Total General Fund	\$ 1,319,248	\$ 1,113,638	\$ 1,209,546	\$ 1,809,455	\$ 1,988,158	\$ 2,277,977	\$ 2,732,301	\$ 2,829,600	\$ 3,245,085	\$ 3,524,301
All Other Governmental Funds:										
Unassigned/(Deficit):	\$ (9,793)		\$ (2,674)	\$ (19,324)	\$ (23,320)	\$ (23,321)	\$ (23,321)	\$ (34,225)	\$ (34,225)	\$ (34,225)
Capital Projects Fund										
Committed:										
Capital Projects Fund		\$ 160,179								
Restricted:										
Student Activities							23,067	20,487	27,299	43,526
Scholarships							565	565	565	565
Capital Projects Fund	6,313,423	4,164,797	1,107,564	465,717	250,917	246,257	73,987	37,837	14,309	12,064
Debt Service Fund	7,841	22,775	14,961	27	27	1	1	1	1	2
Total All Other Governmental Funds	\$ 6,311,471	\$ 4,347,751	\$ 1,119,851	\$ 446,420	\$ 227,624	\$ 222,937	\$ 74,299	\$ 24,665	\$ 7,949	\$ 21,932

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENT FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

*(modified accrual basis of accounting)*

	For the Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues:</b>										
Local Tax Levy	\$ 10,237,089	\$ 10,547,757	\$ 11,272,173	\$ 11,431,522	\$ 11,501,565	\$ 11,720,049	\$ 11,948,142	\$ 12,385,087	\$ 12,755,154	\$ 13,621,106
Tuition Charges		50,310	67,833	27,731	36,881	36,335	17,913	45,680	70,564	79,610
Interest Earnings on Capital Reserve	71	40	27	7,873	11,077	27,591	24,869	1,633	2,552	37,447
Miscellaneous	124,507	230,126	187,024	184,223	161,965	125,954	143,742	237,907	211,972	151,761
State Sources	1,311,532	1,506,104	1,783,397	1,786,054	1,950,303	2,316,776	2,336,275	2,875,835	3,699,036	4,369,973
Federal Sources	200,136	282,903	229,117	199,577	212,480	208,395	210,570	341,613	267,897	657,401
<b>Total Revenue</b>	<b>11,873,335</b>	<b>12,617,240</b>	<b>13,539,571</b>	<b>13,636,980</b>	<b>13,874,271</b>	<b>14,435,100</b>	<b>14,681,511</b>	<b>15,887,755</b>	<b>17,007,175</b>	<b>18,917,298</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	2,724,869	2,957,564	2,991,081	3,152,142	3,197,729	3,046,238	2,833,942	3,095,370	3,295,598	3,510,895
Special Education Instruction	708,940	766,375	987,208	950,584	1,162,925	1,326,472	1,215,803	1,157,651	1,173,143	1,291,182
Other Special Instruction	241,962	248,967	106,834	109,436	160,061	203,615	236,285	232,842	248,459	264,940
School-Sponsored/Other Instruction	27,327	40,462	96,322	99,018	35,183	35,298	35,368	12,387	31,584	47,178
<b>Support Services:</b>										
Tuition	3,412,474	3,560,980	3,077,760	2,918,034	3,064,743	3,115,857	3,334,545	3,627,327	3,711,063	3,922,359
Student and Instruction Related Services	676,331	650,421	817,377	840,434	891,607	917,094	1,175,465	1,291,397	1,345,682	1,468,312
General Administrative Services	236,976	272,544	362,913	340,671	474,488	424,197	381,332	338,952	338,294	401,401
School Administrative Services	211,925	190,796	170,080	168,431	164,940	167,916	166,248	167,096	173,471	194,203
Central Services	183,185	206,688	177,780	145,441	138,318	186,862	203,821	214,706	205,222	237,021
Administration Information Technology	96,972	142,934	126,431	86,105	93,850	91,444	131,715	133,269	139,594	147,396
Plant Operations and Maintenance	597,980	642,511	676,049	896,532	777,500	770,152	646,940	745,815	749,464	886,784
Pupil Transportation	318,507	344,778	359,645	322,916	318,140	369,662	317,028	361,208	665,946	715,226
Unallocated Benefits	1,886,337	1,968,464	2,136,477	2,355,436	2,613,024	2,942,158	3,036,218	3,400,349	3,865,706	4,192,707
Capital Outlay	300,782	2,220,072	3,958,162	683,235	290,697	36,789	219,479	929,540	106,889	740,794
Charter Schools	73,215	102,716	71,654	51,559	70,831	64,137	40,155	60,910	95,245	37,222
<b>Debt Service:</b>										
Principal	240,000	215,000	570,000	395,000	275,000	275,000	300,000	300,000	325,000	325,000
Interest and Other Charges	35,160	218,603	215,790	195,528	185,328	177,077	168,828	159,827	150,828	141,077
<b>Total Expenditures</b>	<b>11,972,942</b>	<b>14,749,875</b>	<b>16,901,563</b>	<b>13,710,502</b>	<b>13,914,364</b>	<b>14,149,968</b>	<b>14,443,172</b>	<b>16,228,646</b>	<b>16,621,188</b>	<b>18,523,697</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(99,607)</b>	<b>(2,132,635)</b>	<b>(3,361,992)</b>	<b>(73,522)</b>	<b>(40,093)</b>	<b>285,132</b>	<b>238,339</b>	<b>(340,891)</b>	<b>385,987</b>	<b>393,601</b>

ROCHELLE PARK SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENT FUNDS

LAST TEN FISCAL YEARS

UNAUDITED

(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other Financing Sources (Uses):										
Bond Proceeds	\$ 6,513,000									
Transfers In	7,841	\$ 392,609	\$ 27	\$ 44	\$ 92	\$ 198	\$ 153			
Transfers Out	(27,841)	(429,304)	(27)	(44)	(92)	(198)	(153)			
Leases (Non-Budgeted)								\$ 399,460	\$ 12,782	
Financed Purchases (Non-Budgeted)			230,000							
Cancellation of Financed Purchase Agreement Proceeds								(10,904)		
Total Other Financing Sources (Uses)	6,493,000	(36,695)	230,000					388,556	12,782	
Net Change in Fund Balances	\$ 6,393,393	\$ (2,169,330)	\$ (3,131,992)	\$ (73,522)	\$ (40,093)	\$ 285,132	\$ 238,339	\$ 47,665	\$ 398,769	\$ 393,601
Debt Service as a Percentage of Noncapital Expenditures	2.36 %	3.46 %	6.07 %	4.53 %	3.38 %	3.20 %	3.30 %	3.01 %	2.88 %	2.62 %

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
UNAUDITED  
*(modified accrual basis of accounting)*

Fiscal Year Ending June 30,	Interest on Investments	Prior Year Refunds	Other	Tuition from Individuals	Contribution from Township	Total
2014	\$ 71	\$ 11,061	\$ 10,998		\$ 94,607	\$ 116,737
2015	40	18,870	778	\$ 50,310	195,544	265,542
2016			89,024	67,833	98,000	254,857
2017	7,829	34,757	52,283	27,731	97,183	219,783
2018	10,985		62,323	36,881	99,642	209,831
2019	27,393		26,662	36,335	99,180	189,570
2020	24,869		42,581	17,913	99,000	184,363
2021	3,266	64,479	65,329	45,680	99,801	278,555
2022	5,103	10,440	47,714	70,564	100,402	234,223
2023	78,278		3,054	79,610		160,942

Source: Rochelle Park School District records



ROCHELLE PARK SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
UNAUDITED

Year Ended Dec. 31,	Total Assessed Value				Tax-Exempt Property	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
	Vacant Land	Residential	Commercial	Industrial				
2013	\$ 4,934,400	\$ 601,560,500	\$ 312,497,200	\$ 32,045,600	\$ 20,626,700	\$ 971,664,400	\$ 1.04	\$ 896,065,307
2014	5,112,800	600,122,200	305,389,200	31,876,500	20,821,500	963,322,200	1.08	954,162,242
2015	4,733,000	598,696,400	294,709,900	31,388,900	20,821,500	950,349,700	1.18	945,928,214
2016	4,413,700	597,374,700	296,392,800	31,311,400	29,696,600	959,189,200	1.17	947,909,282
2017	4,043,500	596,210,100	283,406,400	31,147,400	30,050,900	944,858,300	1.21	945,993,492
2018	4,068,300	597,064,400	280,698,900	31,147,400	30,050,900	943,029,900	1.23	948,063,146
2019	3,814,500	598,496,800	273,563,100	31,337,700	30,050,900	937,263,000	1.26	996,925,561
2020	12,504,400	599,833,500	271,136,200	30,070,000	30,050,900	943,595,000	1.30	1,042,140,721
2021	17,278,400	600,032,800	279,213,800	21,070,000	30,050,900	947,645,900	1.32	1,020,926,236
2022	13,271,900	600,314,500	279,478,600	31,657,200	35,250,300	959,972,500	1.42	1,119,537,754

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

<sup>b</sup> Tax Rates are per \$100 of Assessed Value.

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

Source: Municipal Tax Assessor

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

Year Ended December 31,	Rochelle Park School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Township of Rochelle Park	Bergen County		
2013	\$ 1.02	\$ 0.03	\$ 1.04	\$ 0.86	\$ 0.21	\$ 2.11	
2014	1.06	0.02	1.08	0.89	0.24	2.21	
2015	1.12	0.05	1.18	0.96	0.24	2.37	
2016	1.13	0.05	1.17	0.97	0.24	2.38	
2017	1.18	0.03	1.21	0.95	0.24	2.40	
2018	1.20	0.03	1.23	0.98	0.24	2.46	
2019	1.23	0.03	1.26	1.01	0.26	2.53	
2020	1.27	0.03	1.30	1.01	0.27	2.58	
2021	1.39	0.04	1.32	1.02	0.27	2.61	
2022	1.39	0.03	1.42	1.04	0.28	2.74	

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

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

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

Source: Municipal Tax Collector and School Business Administrator

ROCHELLE PARK SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS,  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

	2023		2014		
	Taxpayer	Taxable Assessed Value	Taxpayer	Taxable Assessed Value	
				% of Total District Net Assessed Value	
Aerial Realty LLC		\$ 26,000,000	Mack-Cali Realty LP	\$ 30,797,200	3.20%
Rochelle Park Holding LLC		16,000,000	Verizon	24,940,711	2.59%
Coolidge Park 17 LLC		14,875,500	Rochelle Park Holding LLC	19,468,800	2.02%
216 Route 17 North LLC		14,657,100	395 W Passaic LLC	16,718,200	1.74%
SAC Realty LLC		13,750,000	SAC Realty LLC	15,479,700	1.61%
395 Rochelle Park LLC		12,900,000	Rte 17 Invest LLC	15,466,800	1.61%
Rochelle Pk. Jt. Vent.		11,463,900	Coolidge Park 17 LLC	14,875,500	1.54%
RXR 174 Rt. 17		11,400,000	Rochelle Pk. Jt. Vent. (c/o Mandelbaum)	12,676,500	1.32%
Sims Associates		11,370,900	Sims Associates (c/o S. Goldsmith)	11,370,900	1.18%
Rega Rochelle Park, LLC		10,236,300	Sherebrooke Holding Company	10,267,700	1.07%
		\$ 142,653,700		\$ 172,062,011	17.86 %

Source: Municipal Tax Assessor

ROCHELLE PARK SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 10,237,089	\$ 10,237,089	100.00 %	\$ -0-
2015	10,547,757	10,547,757	100.00 %	-0-
2016	11,272,173	11,272,173	100.00 %	-0-
2017	11,431,522	11,431,522	100.00 %	-0-
2018	11,501,565	11,501,565	100.00 %	-0-
2019	11,720,049	11,720,049	100.00 %	-0-
2020	11,948,142	11,948,142	100.00 %	-0-
2021	12,385,087	12,385,087	100.00 %	-0-
2022	12,755,154	12,755,154	100.00 %	-0-
2023	13,621,106	13,621,106	100.00 %	-0-

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

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

ROCHELLE PARK SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Financed Purchases	Leases			
2014	\$ 7,168,000			\$ 7,168,000	1.59 %	\$ 1,283
2015	6,953,000			6,953,000	1.68 %	1,242
2016	6,383,000	\$ 230,000		6,613,000	1.53 %	1,179
2017	5,988,000	208,323		6,196,323	1.40 %	1,106
2018	5,713,000	185,396		5,898,396	1.30 %	1,052
2019	5,438,000	160,323		5,598,323	1.18 %	1,001
2020	5,138,000	134,098		5,272,098	1.07 %	947
2021	4,838,000	444,377	\$ 197,263	5,479,640	1.08 %	989
2022	4,513,000	347,958	157,682	5,018,640	0.89 %	862
2023	4,188,000	248,200	102,102	4,538,302	0.80 %	781

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

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

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2013	\$ 895,000	\$ -0-	\$ 895,000	0.09 %	\$ 161
2014	7,168,000	-0-	7,168,000	0.74 %	1,283
2015	6,953,000	-0-	6,953,000	0.72 %	1,242
2016	6,383,000	-0-	6,383,000	0.67 %	1,138
2017	5,988,000	-0-	5,988,000	0.62 %	1,069
2018	5,713,000	-0-	5,713,000	0.60 %	1,019
2019	5,438,000	-0-	5,438,000	0.58 %	972
2020	5,138,000	-0-	5,138,000	0.55 %	923
2021	4,838,000	-0-	4,838,000	0.51 %	873
2022	4,513,000	-0-	4,513,000	0.48 %	775
2023	4,188,000	-0-	4,188,000	0.44 %	720

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

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

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

Source: School District Financial Reports

ROCHELLE PARK SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid With Property Taxes			
Township of Rochelle Park	\$ 11,378,141	100.00 %	\$ 11,378,141
Bergen County General Obligation Debt	1,511,069,959	0.57 %	<u>8,558,835</u>
Subtotal, Overlapping Debt			19,936,976
Rochelle Park School District			<u>4,513,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 24,449,976</u></u>

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

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

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

ROCHELLE PARK SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculated for Fiscal Year 2023

	2022	\$ 1,012,549,630
	2021	1,099,995,241
	2020	1,012,549,630
		\$ 3,125,094,501
Average Equalized Valuation of Taxable Property		\$ 1,041,698,167
Debt Limit (3% of Average Equalization Value) <sup>a</sup>		\$ 31,250,945
Net Bonded School Debt at June 30, 2023		4,188,000
Legal Debt Margin		\$ 27,062,945

	Fiscal Year				
	2019	2020	2021	2022	2023
Debt Limit	\$ 28,930,866	\$ 29,763,834	\$ 30,429,395	\$ 31,437,507	\$ 31,250,945
Total Net Debt Applicable to Limit	5,438,000	5,138,000	4,838,000	4,513,000	4,188,000
Legal Debt Margin	\$ 22,651,293	\$ 23,492,866	\$ 24,625,834	\$ 25,591,395	\$ 27,062,945
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	18.80 %	17.26 %	15.90 %	14.36 %	13.40 %

	Fiscal Year				
	2014	2015	2016	2017	2018
Debt Limit	\$ 29,309,875	\$ 28,644,291	\$ 28,469,971	\$ 28,487,745	\$ 28,364,293
Total Net Debt Applicable to Limit	7,168,000	6,953,000	6,383,000	5,988,000	5,713,000
Legal Debt Margin	\$ 28,048,420	\$ 22,141,875	\$ 21,691,291	\$ 22,086,971	\$ 22,499,745
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	24.46 %	24.27 %	22.42 %	21.02 %	20.14 %

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

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



ROCHELLE PARK SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Bergen County Per Capita Personal Income <sup>c</sup>	Unemployment Rate <sup>d</sup>
2014	5,596	\$ 413,449,268	\$ 73,883	5.70 %
2015	5,608	433,627,384	77,323	5.70 %
2016	5,601	441,560,436	78,836	4.30 %
2017	5,607	454,301,568	81,024	4.00 %
2018	5,592	476,388,072	85,191	4.30 %
2019	5,569	491,414,129	88,241	3.60 %
2020	5,540	509,524,880	91,972	11.90 %
2021	5,820	566,536,260	97,343	7.40 %
2022	5,813	565,854,859 ***	97,343 *	3.90 %
2023	5,813 **	565,854,859 ***	97,343 *	N/A

\* - Latest Bergen County per capita personal income available (2021).

\*\* - Latest population data available (2022).

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

N/A - Information Unavailable

Source:

<sup>a</sup> Population information provided by the New Jersey Department of Labor and Workforce Development

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

<sup>c</sup> Per capita personal income by county provided by the New Jersey Department of Labor and Workforce Development

<sup>d</sup> Unemployment data provided by the New Jersey Department of Labor and Workforce Development

ROCHELLE PARK SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS - BERGEN COUNTY  
CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

		2023		2014			
Employer	Employees	Percentage of Total Employment		Employer	Employees	Percentage of Total Employment	
		2023	2014			2014	2014
Hackensack University Medical Center	N/A	N/A	N/A	Hackensack University Medical Center	N/A	N/A	N/A
Valley Health Systems, Inc.	N/A	N/A	N/A	Valley Health Systems, Inc.	N/A	N/A	N/A
Bio-Reference Laboratories	N/A	N/A	N/A	Bio-Reference Laboratories	N/A	N/A	N/A
Express Scripts	N/A	N/A	N/A	Express Scripts	N/A	N/A	N/A
Quest Diagnostics	N/A	N/A	N/A	Quest Diagnostics	N/A	N/A	N/A
KPMG LLP	N/A	N/A	N/A	KPMG LLP	N/A	N/A	N/A
Englewood Hospital and Medical Center	N/A	N/A	N/A	Englewood Hospital and Medical Center	N/A	N/A	N/A
Englewood Hospital Home Health Care	N/A	N/A	N/A	Englewood Hospital Home Health Care	N/A	N/A	N/A
Unilever Best Foods	N/A	N/A	N/A	Unilever Best Foods	N/A	N/A	N/A
Stryker	N/A	N/A	N/A	Stryker	N/A	N/A	N/A

N/A - Not Available

Source - Township of Rochelle Park Audits

ROCHELLE PARK SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Instruction:											
Regular	42.0	44.0	45.0	46.0	47.0	47.0	47.0	48.0	48.0	49.0	52.8
Support Services:											
Student and Instruction Related Services	13.0	13.0	13.0	19.0	20.0	20.0	21.0	23.0	23.0	23.0	22.0
School Administrative Services	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0	5.5	3.8
General Administrative Services	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Plant Operations and Maintenance	5.0	5.0	5.0	5.0	5.5	5.5	5.5	4.5	4.5	5.0	6.0
Business and Other Support Services	3.0	3.0	3.0	3.0	77.5	77.5	80.5	83.5	83.5	87.5	91.6
	<u>67.0</u>	<u>69.0</u>	<u>70.0</u>	<u>75.0</u>	<u>77.5</u>	<u>77.5</u>	<u>80.5</u>	<u>83.5</u>	<u>83.5</u>	<u>87.5</u>	<u>91.6</u>
Food Service	6.0	6.0	6.0								6.0
After Care Program	4.0	4.0	4.0	4.0	6.0	6.0	14.0	15.0	-0-	* 12.0	8.0
	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>4.0</u>	<u>6.0</u>	<u>6.0</u>	<u>14.0</u>	<u>15.0</u>	<u>-0-</u>	<u>12.0</u>	<u>14.0</u>
Total	<u>77.0</u>	<u>79.0</u>	<u>80.0</u>	<u>79.0</u>	<u>83.5</u>	<u>83.5</u>	<u>94.5</u>	<u>98.5</u>	<u>83.5</u>	<u>99.5</u>	<u>105.6</u>

\* - Due to COVID-19, there was no Care Program for 2020-21.

Source: District Personnel Records

ROCHELLE PARK SCHOOL DISTRICT  
OPERATING STATISTICS,  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil <sup>b</sup>	Percentage Change	Teaching Staff <sup>c</sup>	Pupil/Teacher Ratio		Elementary/Middle		% Change in Average Daily Enrollment	Student Attendance Percentage
						10:1	11:1	Average Daily Enrollment (ADE) <sup>d</sup>	Average Daily Attendance (ADA) <sup>d</sup>		
2014	458	\$ 11,397,000	\$ 24,884	8.99 %	48	10:1	458	437	0.44 %	95.41 %	
2015	479	12,096,200	25,253	1.48 %	45	11:1	470	448	2.62 %	95.32 %	
2016	497	12,157,611	24,462	-3.13 %	45	11:1	497	474	5.74 %	95.37 %	
2017	498	12,436,739	24,973	2.09 %	47	10:1	497	474	0.09 %	95.37 %	
2018	486	13,163,339	27,085	8.46 %	49	10:1	483	460	-2.91 %	95.23 %	
2019	503	13,661,102	27,159	0.27 %	47	11:1	501	479	3.73 %	95.60 %	
2020	522	13,754,865	26,350	-2.98 %	48	11:1	503	486	0.40 %	96.61 %	
2021	500	14,839,279	29,679	12.63 %	48	10:1	487	474	-3.18 %	97.32 %	
2022	502	16,038,471	31,949	7.65 %	49	10:1	505	472	3.70 %	93.46 %	
2023	503	17,316,826	34,427	7.76 %	53	10:1	493	465	-2.38 %	94.31 %	

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

<sup>b</sup> Cost per pupil is the sum as operating expenditures divided by enrollment. This cost per pupil may be different from the State's per pupil calculations.

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

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

Note: Enrollment based on annual October district count.

Source: Rochelle Park School District records

ROCHELLE PARK SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
UNAUDITED

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>District Building</u>											
Midland School											
Square Feet	33,500	33,500	33,500	33,500	33,500	33,500	33,500	33,500	71,935	71,935	71,935
Capacity (Students)	506	506	506	506	506	506	506	506	506	506	506
Enrollment	463	458	479	497	498	486	503	522	500	502	503

Number of Schools at June 30, 2023  
 Elementary = 1

Note: Enrollment is based on the annual October district count.

Source: Rochelle Park School District Facilities Office

ROCHELLE PARK SCHOOL DISTRICT  
SCHEDULE OF ALLOWABLE MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
UNAUDITED

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

<u>School Facility</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Midland School	\$ 79,657	\$ 77,131	\$ 131,763	\$ 259,403	\$ 295,057	\$ 267,979	\$ 307,201	\$ 173,115	\$ 195,469	\$ 191,271	\$ 336,207
	<u>\$ 79,657</u>	<u>\$ 77,131</u>	<u>\$ 131,763</u>	<u>\$ 259,403</u>	<u>\$ 295,057</u>	<u>\$ 267,979</u>	<u>\$ 307,201</u>	<u>\$ 173,115</u>	<u>\$ 195,469</u>	<u>\$ 191,271</u>	<u>\$ 336,207</u>

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

Source: Rochelle Park School District records

ROCHELLE PARK SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2023  
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Northeast Bergen County School Board Insurance Group (NESBIG):		
Package Policy - National Union:		
Property	\$ 15,783,100	\$ 5,000
Earthquake/Flood (Outside Zones A & V)	5,000,000	50,000
Flood Zones A & V	1,000,000	500,000
Liability		
Automobile (Comprehensive & Collision)	1,000,000	1,000
Comprehensive General Liability	1,000,000	2,500
Worker's Compensation & Employer's Liability	Statutory	
	1,000,000	
Crime (Non-statutory Bonds)		
Per Employee (Primary)	500,000	5,000
Per Loss (Excess)	500,000	None
Boiler & Machinery	Property Limit	
Environmental - Markel	2,000,000/4,000,000	25,000
Fund Aggregate	20,000,000	
Educator's Legal Liability/ Employment Practices - XL	1,000,000	10,000 20,000
Commercial Umbrella - National Union	9,000,000	10,000
Excess Umbrella - Fireman's Fund	25,000,000	
Fund Aggregate (Shared 1/2 Fund)	25,000,000	
Cyber Liability - Coalition	1,000,000	25,000
Aggregate	1,000,000	
Accident Policy- All Students	1,000,000	
Surety Bond Coverage:		
Treasurer of School Monies	190,000	
Business Administrator	200,000	
Starstone Nat/Markel		
Excess Umbrella	30,000,000	

Source: Rochelle Park School District records

SINGLE AUDIT SECTION



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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Office"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Rochelle Park School District, in the County of Bergen (the "District") as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2023.

**Report on Internal Control Over Financial Reporting**

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

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

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

The Honorable President and Members  
of the Board of Education  
Rochelle Park School District  
Page 2

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

December 21, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb*  
\_\_\_\_\_  
Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

Report on Compliance For the Major State Program;  
Report on Internal Control Over Compliance Required by NJOMB 15-08

Independent Auditors' Report

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

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

***Opinion on Each Major State Program***

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

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the fiscal 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

The Honorable President and Members  
of the Board of Education  
Rochelle Park School District  
Page 2

### ***Responsibilities of Management for Compliance***

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

### ***Auditors' Responsibilities for the Audit of Compliance***

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

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

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

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

The Honorable President and Members  
of the Board of Education  
Rochelle Park School District  
Page 3

### Report on Internal Control Over Compliance

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

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

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

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

December 21, 2023  
Mount Arlington, New Jersey

*Nisivoccia LLP*  
NISIVOCCIA LLP

*Heidi A. Wohlleb* \_\_\_\_\_

Heidi A. Wohlleb  
Licensed Public School Accountant #2140  
Certified Public Accountant

**ROCHELLE PARK SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	Balance at June 30, 2022		Budgetary Expenditures	Cancellation of Prior Year Encumbrance	Balance at June 30, 2023		Amounts Provided to Subrecipients	
					Unearned Revenue (Accounts Receivable)	Cash Received			(Accounts Receivable)	Unearned Revenue Due to Grantor		
<b>U.S. Department of Agriculture</b>												
Passed-through State Department of Agriculture:												
Child Nutrition Cluster:												
National School Lunch Program	10.555	N/A	7/1/22-6/30/23	\$ 87,023	\$ 80,484	\$ (87,023)			\$ (6,539)			
School Breakfast Program	10.553	N/A	7/1/22-6/30/23	601	593	(601)			(8)			
COVID 19 - Seamless Summer Option Lunch	10.555	N/A	7/1/21-6/30/22	309,606	22,602							
COVID 19 - Seamless Summer Option Breakfast	10.553	N/A	7/1/21-6/30/22	11,909	(464)							
COVID 19 - Seamless Summer Option Snack	10.555	N/A	7/1/21-6/30/22	9,819	(883)							
Federal Food Distribution Program	10.555	N/A	7/1/22-6/30/23	23,933	22,804	(22,071)				\$ 733		
Federal Food Distribution Program	10.555	N/A	7/1/21-6/30/22	2,498	1,862	(1,862)				24,718		
COVID 19 - Supply Chain Assistance Award	10.555	N/A	7/1/22-6/30/23	36,432	36,432	(11,714)				25,451		
Total Child Nutrition Cluster					(22,087)	(123,271)			(6,547)			
Child Nutrition Discretionary Grants Limited Availability:												
NSLP Equipment Assistance Grant	10.579	Not Applicable	7/1/21-6/30/22	10,635	10,635							
Total Child Nutrition Discretionary Grants Limited Availability					(10,635)							
Total U.S. Department of Agriculture					(32,722)	(123,271)			(6,547)	25,451		
Total Enterprise Funds					(32,722)	(123,271)			(6,547)	25,451		
Special Revenue Fund:												
U.S. Department of Education:												
Passed-through State Department of Education:												
Elementary and Secondary Education Act:												
Title I - Part A	84.010A	ESEA-4470-22	7/1/21-9/30/22	26,092	(11,892)							
Title I - Part A	84.010A	ESEA-4470-23	7/1/22-9/30/23	59,814	46,838	(56,353)		\$ 1,200	(9,515)	\$ 1,200		
Total Title I					(1,892)							
Title II - Part A	84.367A	ESEA-4470-22	7/1/21-9/30/22	9,605	2,605							
Title II - Part A	84.367A	ESEA-4470-23	7/1/22-9/30/23	12,505	8,647	(12,212)						
Total Title II					(2,605)				(3,565)			
Title IV - Part A	84.424	ESEA-4470-23	7/1/22-9/30/23	10,000	1,500	(1,500)						
Title IV - Part A	84.424	ESEA-4470-22	7/1/21-9/30/22	10,000	5,525						215	
Total Title IV					(5,310)						215	
Total Elementary and Secondary Education Act					(19,807)	(70,065)		1,200	(13,080)		1,415	

**ROCHELLE PARK SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Federal Grantor Pass Through Grantor/ Program/Cluster Title	Assistance Listing Number	Grant or State Program Number	Grant Period	Award Amount	June 30, 2022		Cancellation of Prior Year Encumbrance	Balance at June 30, 2023		Amounts Provided to Subrecipients
						Unearned Revenue (Accounts Receivable)	Cash Received		(Accounts Receivable)	Unearned Revenue	
<b>Special Revenue Fund:</b>											
U.S. Department of Education:											
Passed-through State Department of Education:											
Special Education Cluster:											
	COVID 19 - IDEA Part B, Basic - ARP	84.027X	IDEA-4470-22	7/1/21-9/30/22	\$ 21,711	\$ (21,711)	\$ 21,711				
	COVID 19 - IDEA Part B, Preschool - ARP	84.173X	IDEA-4470-22	7/1/21-9/30/22	1,852	(1,202)	1,852	(650)			
	IDEA Part B, Basic	84.027	IDEA-4470-23	7/1/22-9/30/23	131,367	112,599	\$ (131,367)		\$ (18,768)		
	IDEA Part B, Preschool	84.173	IDEA-4470-23	7/1/22-9/30/23	5,933	5,933		(5,933)			
	IDEA Part B, Basic	84.027	IDEA-4470-22	7/1/21-9/30/22	120,883	(83,289)	83,289				
	IDEA Part B, Preschool	84.173	IDEA-4470-22	7/1/21-9/30/22	5,312	(5,312)	5,312				
	Total Special Education Cluster				230,696	(111,514)	230,696	(137,930)	(18,768)		
Education Stabilization Fund:											
COVID 19 - CRRSA:											
	ESSER II	84.425D	S425D210027	3/13/20-9/30/23	179,524	(64,284)	104,976	(88,252)	(47,560)		
	Learning Acceleration	84.425D	S425D210027	3/13/20-9/30/23	25,000	(25,000)	18,750		(6,250)	\$ 22,029	
	Mental Health	84.425D	S425D210027	3/13/20-9/30/23	45,000		42,308	(20,279)			
	COVID 19 - ARP:										
	ESSER III	84.425U	S425U210027	3/13/20-9/30/24	403,469		45,202	(77,911)	(32,709)		
	Mental Health	84.425U	S425U210027	3/13/20-9/30/24	45,000			(32,682)	(32,682)		
	Total Education Stabilization Fund				672,993	(89,284)	211,236	(219,124)	(119,201)	22,029	
	Total U.S. Department of Education				74,731	(220,605)	518,939	(427,139)	(151,049)	22,029	\$ 1,415
U.S. Department of the Treasury:											
Passed-through State Department of Education:											
	Special Revenue Fund:										
	ACRSERS	21.027	N/A	7/1/22 - 6/30/23	74,731		37,231	(74,731)	(37,500)		
	Total U.S. Department of the Treasury				74,731		37,231	(74,731)	(37,500)		
U.S. Department of Homeland Security:											
Passed through State Department of Law and Public Safety:											
	General Fund:										
	Coronavirus Pandemic	97.036	N/A	1/20/20 - 5/11/23	86,865		86,865	(86,865) *			
	Total U.S. Department of Homeland Security				86,865		86,865	(86,865)			
Federal Communications Commission:											
	Emergency Connectivity Fund (ECF)	32.009	ECF20104607	7/1/21-6/30/22	49,960	(49,147)			(49,147)		
	Total Federal Communications Commission				49,960	(49,147)			(49,147)		
	Total Federal Financial Awards				\$ 817,932	(302,474)	\$ 712,006	(712,006)	\$ 244,243	\$ 47,480	\$ -0-

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

\* - Expended in a prior year.  
N/A - Not Applicable

ROCHELLE PARK SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance		Memo	
				June 30, 2022		June 30, 2023	
				Budgetary (Accounts Receivable)	Cash Received	Budgetary Expenditures	GAAP (Accounts Receivable)
<b>State Department of Education:</b>							
<b>General Fund:</b>							
Special Education Categorical Aid	23-495-034-5120-089	7/1/22-6/30/23	\$ 681,485	\$ 643,131	\$ (681,485)	\$ (38,354)	\$ 681,485
Special Education Categorical Aid	22-495-034-5120-089	7/1/21-6/30/22	542,620	30,763	(47,531)	(2,675)	542,620
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	47,531	44,856	(47,531)	(2,675)	47,531
Security Aid	22-495-034-5120-084	7/1/21-6/30/22	47,531	2,695	(103,197)	(5,808)	103,197
Transportation Aid	22-495-034-5120-014	7/1/22-6/30/23	103,197	5,851	(818,204)	(818,204)	103,197
Transportation Aid	22-495-034-5120-014	7/1/21-6/30/22	103,197	5,851	(818,204)	(818,204)	103,197
Extraordinary Special Education Aid	23-495-034-5120-044	7/1/22-6/30/23	818,204	382,397	(18,547)	(18,547)	818,204
Extraordinary Special Education Aid	22-495-034-5120-044	7/1/21-6/30/22	382,397	382,397	(18,547)	(18,547)	382,397
Nonpublic Transportation	23-495-034-5120-014	7/1/22-6/30/23	18,547	13,645	(1,595)	(1,595)	18,547
Nonpublic Transportation	22-495-034-5120-014	7/1/21-6/30/22	13,645	1,595	(1,595)	(1,595)	13,645
Lead Testing for Schools Aid	23-495-034-5120-104	7/1/22-6/30/23	1,595	353,743	(371,716)	(17,973)	1,595
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	371,716	452,734	(452,734)	(17,973)	371,716
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	452,734	1,699,822	(1,699,822)	(1,699,822)	452,734
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	1,699,822	23,583	(23,583)	(23,583)	1,699,822
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	23,583	621	(621)	(621)	23,583
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	621				621
<b>Total General Fund State Aid</b>				<b>3,752,825</b>	<b>(4,219,035)</b>	<b>(901,561)</b>	<b>5,308,425</b>
<b>Debt Service Fund:</b>							
Debt Service Aid Type II	22-495-034-5120-125	7/1/22-6/30/23	158,466	158,466	(158,466)		158,466
<b>Total Debt Service Fund</b>							
<b>New Jersey Department of Agriculture:</b>							
<b>Food Service Fund</b>							
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	4,039	3,726	(4,039)	(313)	4,039
State School Breakfast Program	23-100-010-3350-023	7/1/22-6/30/23	6	6	(6)		6
COVID 19 - Seamless Summer Option	22-100-010-3350-023	7/1/22-6/30/22	7,289	520	(520)		7,289
<b>Total Food Service Fund</b>				<b>4,252</b>	<b>(4,045)</b>	<b>(313)</b>	<b>11,334</b>



ROCHELLE PARK SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance June 30, 2022		Balance June 30, 2023		Memo	
				Budgetary (Accounts Receivable)	Cash Received	Budgetary Expenditures	GAAP (Accounts Receivable)	Budgetary (Accounts Receivable)	Cumulative Total Expenditures
<b>Capital Projects Fund:</b>									
Schools Development Authority:									
Educational Facilities Construction & Financing Act:									
Midland Elementary School - Sprinkler System									
Construction Services	4470-050-14-1003	7/1/13-9/30/22	\$ 122,200	\$ (122,200)		\$ (122,200)	\$ (122,200)		\$ 122,200
<b>Total Capital Projects Fund</b>									
				(122,200)		(122,200)			122,200
<b>Total State Awards Subject to Single Audit Determination</b>				\$ (558,071)	\$ 3,915,543	\$ (4,381,546)	\$ (855,037)	\$ (1,024,074)	\$ 5,600,425
Less: State Awards Not Subject to Single Audit Major Program Determination									
On-Behalf TPAF Pension System Contributions:									
On-Behalf TPAF Post Retirement Contributions	23-495-034-5094-001	7/1/22-6/30/23	(452,734)		\$ 452,734				
On-Behalf TPAF Pension Contributions	23-495-034-5094-002	7/1/22-6/30/23	(1,699,822)		1,699,822				
On-Behalf TPAF Non-Contributory Insurance	23-495-034-5094-004	7/1/22-6/30/23	(23,583)		23,583				
On-Behalf TPAF Long-Term Disability Insurance	23-495-034-5094-004	7/1/22-6/30/23	(621)		621				
<b>Subtotal - On-Behalf TPAF Pension System Contribution</b>						2,176,760			
<b>Total State Awards Subject to Single Audit Major Program Determination</b>						\$ (2,204,786)			

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

ROCHELLE PARK SCHOOL DISTRICT  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. Summary of Significant Accounting Policies

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

NOTE 3. Indirect Cost Rate

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

NOTE 4. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$7,528) for the General Fund and \$71,100 for the Special Revenue Fund (There was \$2,434 of prior year local funds encumbrances paid in the current fiscal year). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue and capital projects funds. The federal awards reported on the Schedule of Expenditures of Federal Awards does not include the \$11,561 of Paycheck Protection Program Loan Reimbursement from the Food Service Management Contractor.

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

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 86,865	\$ 4,211,507	\$ 4,298,372
Special Revenue Fund	570,536		570,536
Debt Service Fund		158,466	158,466
Food Service Fund	<u>123,271</u>	<u>4,045</u>	<u>127,316</u>
Total Awards	<u>\$ 780,672</u>	<u>\$ 4,374,018</u>	<u>\$ 5,154,690</u>

NOTE 5. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 6. FEDERAL AND STATE LOANS OUTSTANDING

Rochelle Park School District had no outstanding federal or state loan balances at June 30, 2023.

NOTE 7. OTHER

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

NOTE 8. NJ SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

The District has an active grant awarded in the amount of \$122,200 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2023, the grant funds have not been expended, or drawn down or received. The District realizes grant revenue in the Capital Projects Fund on the GAAP basis as it is expended and submitted for reimbursement.

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

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over the major state program disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major State Program; Report on Internal Control Over Compliance Required by NJOMB 15-08*.
- The auditor's report on compliance for the major state programs for the District expresses an unmodified opinion on each major state program.
- The District was not subject to the single audit provisions of the Uniform Guidance for the fiscal year ended June 30, 2023 as federal grant expenditures were less than the single audit threshold of \$750,000 identified in the Uniform Guidance.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circular 15-08 or 2 CFR 200.516(a) of the Uniform Guidance.
- The District's program tested as a major state program for the current fiscal year consisted of the following state aid:

	State Grant Number	Grant Period	Award Amount	Budgetary Expenditures
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	\$371,716	\$ 371,716
Extraordinary Aid	23-495-034-5120-044	7/1/22-6/30/23	818,204	818,204

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

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

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

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- Not applicable since federal expenditures were below the single audit threshold.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any finding or questioned costs for state awards as defined in section 2 CFR 200.516(a) of the Uniform Guidance or NJOMB 15-08.

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

Status of Prior Year Findings:

There were no prior year audit findings.