

SCHOOL DISTRICT

OF

ROSELLE PARK

**ROSELLE PARK BOARD OF EDUCATION
ROSELLE PARK, NEW JERSEY**

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

ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF THE

ROSELLE PARK BOARD OF EDUCATION

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PREPARED BY

**ROSELLE PARK BOARD OF EDUCATION
FINANCE DEPARTMENT**

ROSELLE PARK SCHOOL DISTRICT

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INTRODUCTORY SECTION

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1.

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Superintendent of Schools
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Patricia Mawer
School Business Administrator/
Board Secretary (908)245-2103
FAX (908) 245-3914

January 15, 2024

Honorable President and
Members of the Board of Education
Roselle Park School District
County of Union, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report of the Roselle Park School District for the fiscal year ended June 30, 2023, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rest with the management of the board of education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities 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 principle officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements and New Jersey OMB Circular 15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Roselle Park School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No.3. All funds and account groups of the district are included in this report. The Roselle Park Board of Education and all its schools constitute the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels pre-school handicapped, and grades kindergarten through 12 (K-12). These include regular and special education for handicapped youngsters. The district also provides after-school care (extended day) for elementary and middle school children, and a summer camp for parents who need or desire care for their children beyond the traditional school year.

The district also finds itself in the unique position of providing recreational services to the community, county, and state through its operation of the Green Acres Athletic Complex. The complex is used on a regular basis by local and county athletic groups, as well as by individuals of all ages. The board maintains for their use the baseball, softball, football, soccer, tennis, and basketball facilities.

The district completed the 2022-2023 school year with an enrollment of 2150 students, which represents a increase of 5 students over the previous June 30 enrollment.

2. ECONOMIC CONDITION AND OUTLOOK: Roselle Park is a community that lacks commercial and industrial ratables. Since eight of the top ten taxpayers are apartment complex owners, only two out of the ten largest taxpayers require no services from the school district. The apartment dwellers are responsible for generating approximately one-fifth of the total student population.

The municipal government is involved in an ongoing program of “downtown revitalization” which at best should provide very modest relief for taxpayers in general. Since the town is almost completely developed, there is limited potential for new expansion in either the commercial, industrial, or residential sector.

Property owners directly, and apartment dwellers indirectly, will continue to shoulder the major proportion of property taxes, based upon the current school funding formula.

3. CURRICULUM/STAFF DEVELOPMENT: The Roselle Park School District continues to make professional development a top priority. Knowing that teachers need to keep abreast of best practices in order to provide a high quality education to our students, two full days and six half days were set aside during the 2022/2023 school year for professional development experiences. Programs were presented in the areas of balanced literacy, special education, core curriculum content standards, mathematics, technology and instructional practices. Continued professional development assisted teachers in grades 3 - 5 in providing a balanced literacy program. The district has made a commitment to the implementation of Orton- Gillingham in the K – 2 classroom. Title 1 funds were utilized to send K – 2 teachers to one week Orton-Gillingham workshops. In order to best prepare teachers for the opening of school, teachers in grades K - 5 were invited to attend a workshop on the new writing program. In addition K – 2 teachers were invited to attend a workshop on the Envision Math series that was adopted by the district. These workshops were well received; the majority of staff members took advantage of the opportunities. Professional Learning Communities which enable our teachers to examine student work, address problems and explore instructional strategies met on a regular basis throughout the school year.

As part of the district’s five year curriculum review cycle, a new elementary music textbook series was adopted. In addition a writing program was adopted for grades K - 8. At the high school level a new series of textbooks was adopted for Accounting and French. Various novels were purchased for the middle and high school language arts program. The district continues to purchase leveled readers for the guided reading program.

All curricula is continually updated and aligned to the NJ Core Curriculum Content Standards and the Common Core Standards for Language Arts and Mathematics.

An ESL- Bilingual program waiver was submitted and approved. Two periods of high intensity ESL is provided to all students of Hispanic decent. Once again a Title 1/ ESL summer program was offered to Title 1 and LEP students in grades K - 12. This summer program was funded through NCLB. Approximately 90 students attended this learning experience.

As part of the district’s commitment to infuse technology into the curriculum Mimeoos were installed in all elementary classrooms. In addition, 25 iPads were purchased for each of the elementary schools. 30 iPads were

purchased for the middle school and the 40 iPads were purchased for the high school. Teachers are provided with subscriptions to Learning A – Z, Starfall and Brain Pop to enhance the curriculum. Technology equipment and programs are continually researched. The technology infrastructure is continually updated.

The Roselle Park School District has developed a comprehensive plan for professional development for the 2023/2024 school year. Introduction of the Teachscape evaluation tool and associated rubrics that will guide our observation/evaluation process will be a professional development focus throughout the year. We are in position to successfully implement and train staff in preparation of the TEACHNJ Act changing committee roles and responsibilities for the 2013-2014 school year. In addition, a series of out of district workshops have been chosen for teachers to attend. The teachers selected to participate in these workshops will turnkey the information to other teachers in the district. This plan will enable the faculty to formulate instruction that meets the needs of the students. In district workshops are planned that focus on the common core standards in language arts and math. Para professionals will continue to receive ongoing professional development to enable them to work successfully in the self-contained, and/or inclusion setting. Technology training which will include using the iPads in the classroom will be ongoing. Professional Learning Communities will continue to meet throughout the year.

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

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

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

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the district maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

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

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

7. CASH MANAGEMENT: The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan that requires it to

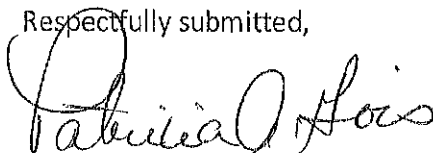
7. **CASH MANAGEMENT:** The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under 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. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

9. **OTHER INFORMATION: Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company, CPA's, conducted the audit for the board of education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements and New Jersey OMB Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the financial section of this report.

10. **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Roselle Park Board of Education for their desire to provide 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 operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted,



Patricia Gois
Superintendent of Schools



Patricia Mawer
School Business Administrator/Board Secretary

ROSELLE PARK BOARD OF EDUCATION**ROSELLE PARK, NEW JERSEY****ROSTER OF OFFICIALS****JUNE 30, 2023**

<u>Members of the Board of Education</u>	<u>Term</u>
Loren Harms, President	2025
Paul Baiamonte Vice-President	2024
Susan Carlstrom	2024
Lucy Figueiredo	2023
Chris Monroe	2025
Jennifer Makar	2025
Cindi Mago	2025
Dr. Brittany Kirkland	2026
Constance Quintela	2023

Other Officials

Patricia Gois, Superintendent

Patricia Mawer, Board Secretary/School Business Administrator

Gregory Meyer, Treasurer

Mike Collins, Esq., Board Attorney

**ROSELLE PARK BOARD OF EDUCATION
CONSULTANTS AND ADVISORS**

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Architect

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Health and Dental

Brown & Brown Benefit Advisors
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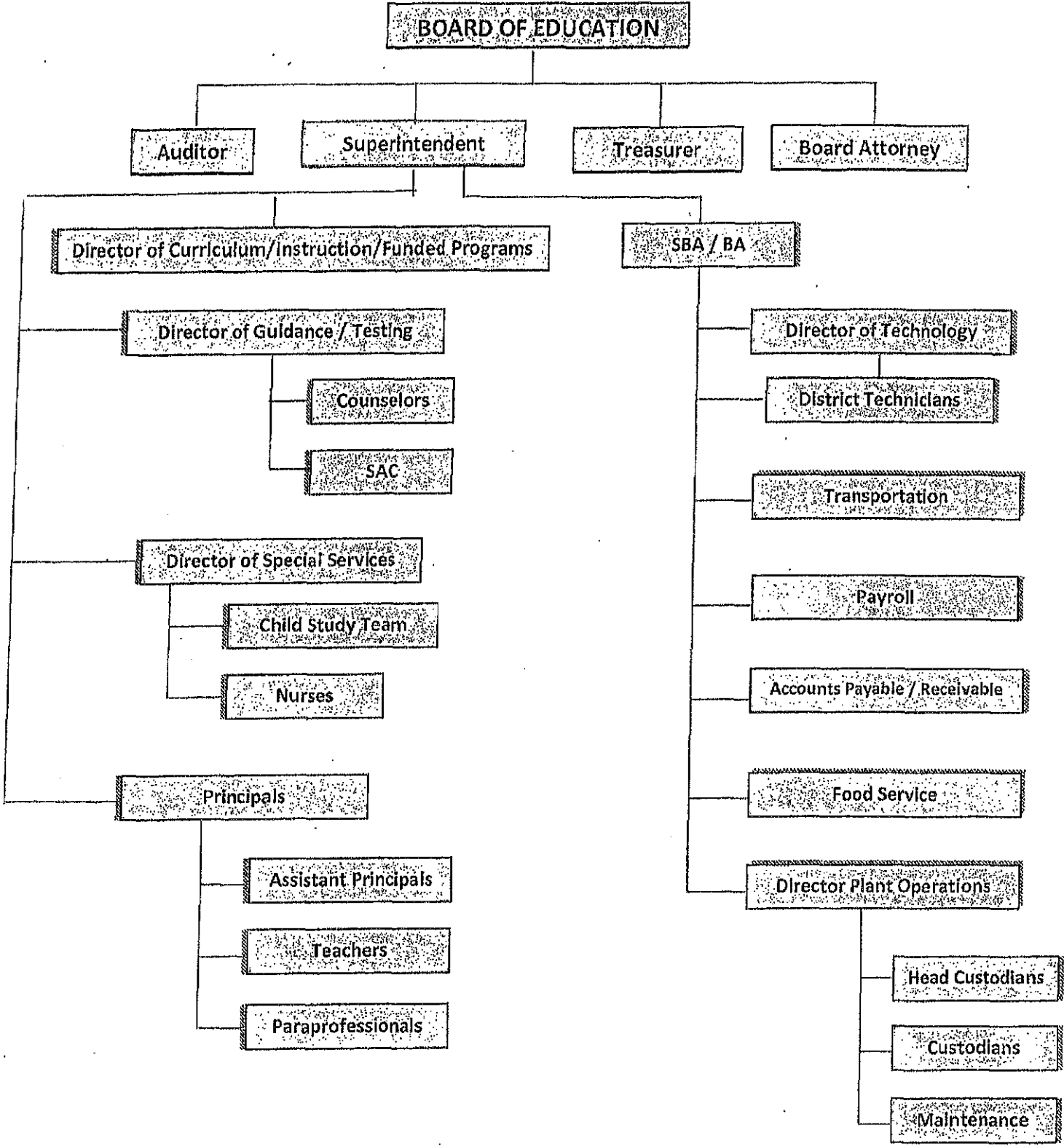
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Bond Counsel

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Phoenix Advisors, LLC
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Bordentown, New Jersey 08505

ROSELLE PARK SCHOOL DISTRICT ORGANIZATIONAL CHART



FINANCIAL SECTION

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.
RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Roselle Park School District
County of Union
Roselle Park, New Jersey

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Park Board of Education, as of and for the year ended June 30, 2023, and the related Notes to the Financial Statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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 Roselle Park Board of Education, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 require that the management's discussion and analysis, budgetary comparison information and pension and post-employment benefit trend information as noted in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Roselle Park Board of Education's basic financial statements. The combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance, 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 OMB's Circulars 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 combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

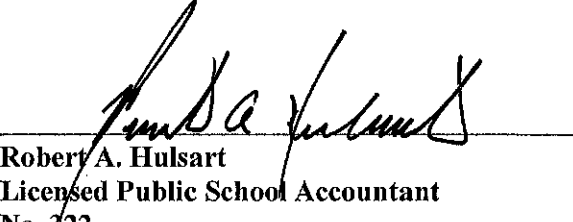
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 January 15, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY



Robert A. Hulsart
Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey

January 15, 2024

REQUIRED SUPPLEMENTARY INFORMATION
PART I

ROSELLE PARK PUBLIC SCHOOL DISTRICT
BOROUGH OF ROSELLE PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The discussion and analysis of Roselle Park School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Annual Comprehensive Financial Report's (ACFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

Financial Highlights

Key Financial highlights for the 2022-2023 fiscal year are as follows:

- Total assets as of June 30, 2023 were \$61,283,801 which included \$1,315,819 for Proprietary funds.
- The total Governmental net position included \$42,097,172 of capital assets and \$8,926,415 of restricted assets designated capital reserve, maintenance reserve and designations for subsequent years.
- Total revenues for the year were \$56,980,018 which included \$55,154,303 in Governmental Funds, and \$1,825,715 for Proprietary Funds.
- There was state aid payments of \$1,848,175 that was not made in 2022-23 as a result of the New Jersey Legislature's Appropriations Act. This amount will be received in 2023-24.
- Proprietary Fund revenues included \$1,300,460 for food service and \$577,544 for Summer Camp programs.
- Total District expenditures were \$53,989,097 of which \$52,071,551 were for Governmental Funds and \$1,917,546 for Proprietary Funds.

Using this Annual Comprehensive Financial Report (ACFR)

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

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Roselle Park School District, the General Fund is the most significant fund, with the Special Revenue Fund and certain Proprietary Funds also having significance.

Using this Annual Comprehensive Financial Report (ACFR) (Continued)

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions. The Statement of Net Position and the Statement of Activities helps provide this information. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- **Governmental activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund, the Extended Day Care and Summer Camp Programs are reported as a business activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund and Debt Service Fund.

Governmental Funds

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

Proprietary Funds

The Proprietary Funds uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Table 1 provides a summary of the School District's net position for the fiscal year 2022-2023 and 2021-2022.

Table 1
Net Position

	<u>2022-2023</u>	<u>2021-2022</u>
<u>Assets</u>		
Current and Other Assets	\$ 18,059,877	14,418,244
Capital Assets, Net	<u>43,223,924</u>	<u>43,887,105</u>
Total Assets	<u>\$ 61,283,801</u>	<u>58,305,349</u>
<u>Deferred Outflows of Resources</u>		
Contribution to Pension Plans	<u>\$ 929,372</u>	<u>821,856</u>
<u>Deferred Inflows of Resources</u>		
Pension Deferrals	<u>\$ 1,385,784</u>	<u>3,190,779</u>
<u>Liabilities</u>		
Long-Term Liabilities	\$ 7,730,453	6,774,834
Other Liabilities	<u>2,648,214</u>	<u>1,594,744</u>
Total Liabilities	<u>\$ 10,378,667</u>	<u>8,369,578</u>
<u>Net Position</u>		
Invested in Capital Assets, Net of Debt	\$ 42,097,172	41,996,654
Restricted	8,926,415	11,605,703
Unrestricted	<u>(574,865)</u>	<u>(6,035,509)</u>
Total Net Position	<u>\$ 50,448,722</u>	<u>47,566,848</u>

Table 2 shows the changes in net position for fiscal year 2022-2023 and 2021-2022.

Table 2
Changes in Net Position

	<u>2022-2023</u>	<u>2021-2022</u>
<u>Revenues</u>		
Program Revenues		
Charges for Services	\$ 1,105,468	553,211
Operating Grants and Contributions	4,810,967	4,884,377
General Revenues		
Property Taxes	23,207,469	23,002,804
Grants and Entitlements	26,967,871	24,649,534
Other	<u>888,243</u>	<u>752,774</u>
Total Revenues	<u>56,980,018</u>	<u>53,842,700</u>
<u>Program Expenses</u>		
Instruction	17,949,938	16,387,855
Tuition	1,725,533	1,502,747
Depreciation	457,583	457,583
Support Services		
Pupils/Instructional Services	5,734,774	5,329,960
Administrative-General, School, Business	2,750,994	2,662,571
Operations and Maintenance of Facilities	3,744,189	3,159,338
Pupil Transportation	725,601	663,659
Employee Benefits	15,869,406	14,446,320
Debt Service	59,000	79,212
Capital Outlay	3,052,638	2,062,386
Charter Schools	1,895	12,291
Enterprise	<u>1,917,546</u>	<u>1,602,592</u>
Total	<u>53,989,097</u>	<u>48,366,514</u>
Increase (Decrease) in Net Position	<u>\$ 2,990,921</u>	<u>5,476,186</u>

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

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

Extra Curricular activities include school sponsored co-curricular activities such as publications, clubs, drama and music as well as interscholastic athletics.

Pupils/Instructional services include the activities involved with providing support services to pupils, both regular and special education, educational media services and assisting the staff with the content and process of teaching to students, including curriculum and staff development.

Governmental Activities (Continued)

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

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

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

Employee Benefits represent the cost of employer's share of pension and social security, health and dental insurance premiums, compensation for retiring employees' accumulated sick leave pursuant to collective bargaining agreements, and custodial uniforms.

Capital Outlay includes equipment items with a unit cost of \$2,000 or more, and facilities acquisition and construction services.

Debt Service involves the transactions associated with the payment of principal and interest on previously authorized debt incurred by the School District.

Business-Type Activities

Revenues for the District's business-type activities (food service program and summer camp) were comprised of charges for services and federal and state reimbursements.

- Food service expenses exceeded revenues by \$208,449.
- Charges for services represent \$496,844 of revenue. This represents amount paid by patrons for daily food services.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities was \$803,616.
- The Summer Camp program, which has a fee for service program, had total revenues of \$577,544.

The School Board's Funds

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

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

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures. A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the ACFR, entitled Budgetary Comparison Schedules.

The School Board's Funds (Continued)

On June 30, 2023 the district's General Fund balance was \$15,346,146. This amount will be reduced by encumbrances of \$1,476,783, \$3,820,201 for Capital Reserve, and \$1,970,103 of excess surplus which is mandated for tax relief in 2023-2024; and \$2,039,224 for tax relief in 2024-2025, \$2,300,204 in maintenance reserve; \$861,417 is designated by the Board of Education for the 2023-2024 budget; leaving an unrestricted balance of \$1,578,095; \$1,194,673 is Capital Reserve for Subsequent Year's Expenditures. The unrestricted balance represents 2% of the current year's budget; and \$105,446 is unemployment.

Capital Assets

At June 30, 2023, the School Board had approximately \$43,223,924 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table 3 below shows the net book value of capital assets at the end of the 2023 fiscal year.

Table 3

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Capital Assets at June 30, 2023		
Land and Improvements	\$ 27,615,850	
Buildings and Sites	14,900,009	
Machinery, Equipment and Vehicles	<u>706,313</u>	<u>1,725</u>
Total	<u>\$ 43,222,172</u>	<u>1,725</u>

Debt Administration

At June 30, 2023, the School District had \$7,730,453 as outstanding debt. Of this amount \$1,110,044 is for compensated absences, and \$1,125,000 for bonds for school improvement, and \$5,495,409 for pension liability.

Economic Factors and Next Year's Budget

At this time, the most important factor affecting the budget is the unsettled situation with State Aid, and recent legislation affecting future school budgets. The District can only assume that current funding levels from the state will be maintained, however, the legislation further restricts budget growth. The District expects to experience additional growth in student population. Additionally costs for personnel, special education and energy are expected to continue to increase. The tax levy will likely be the area that will need to absorb most of the increase in budget obligations.

In conclusion, the Roselle Park School District has committed itself to a thorough and efficient operation for delivering educational services to its school children. The School District is carefully managing its resources, and is planning to meet its future educational needs in as fiscally prudent a manner as possible.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Patricia Mawer, School Business Administrator/Board Secretary at Roselle Park Board of Education, 510 Chestnut Street, Roselle Park, NJ 07204.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS – A

ROSELLE PARK SCHOOL DISTRICT**STATEMENT OF NET POSITION**

Exhibit A-1

JUNE 30, 2023

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Assets</u>			
Cash and Cash Equivalents	\$ 4,308,608	1,169,939	5,478,547
Receivables, Net	3,510,787	125,468	3,636,255
Inventory		18,660	18,660
Restricted Assets:			
Cash and Cash Equivalents	8,926,415		8,926,415
Capital Assets - (Non-Depreciable)	27,615,850		27,615,850
Capital Assets, Net (Note 1)	15,606,322	1,752	15,608,074
Total Assets	<u>59,967,982</u>	<u>1,315,819</u>	<u>61,283,801</u>
<u>Deferred Outflow of Resources</u>			
Contribution to Pension Plan	<u>929,372</u>		<u>929,372</u>
<u>Deferred Inflow of Resources</u>			
Pension Deferrals	<u>1,385,784</u>		<u>1,385,784</u>
<u>Liabilities</u>			
Accounts Payable and Accrued Interest	429,516	41,927	471,443
Deferred Revenue	2,176,771		2,176,771
Noncurrent Liabilities: (Note 3)			
Due Within One Year	560,000		560,000
Due Beyond One Year	7,170,453		7,170,453
Total Liabilities	<u>10,336,740</u>	<u>41,927</u>	<u>10,378,667</u>
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	42,097,172	1,752	42,098,924
Restricted For:			
Other Purposes	8,926,415		8,926,415
Unrestricted	<u>(1,848,757)</u>	<u>1,272,140</u>	<u>(576,617)</u>
Total Net Position	<u>\$ 49,174,830</u>	<u>1,273,892</u>	<u>50,448,722</u>

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

ROSELLE PARK SCHOOL DISTRICT

Exhibit A-2
Sheet 1 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<u>Functions/Programs</u>						
Governmental Activities:						
Instruction:						
Regular	\$10,696,263			(10,696,263)		(10,696,263)
Special Education	5,214,132		2,192,468	(3,021,664)		(3,021,664)
Other Special Instruction	2,039,543			(2,039,543)		(2,039,543)
Support Services:						
Tuition	1,725,533	22,755		(1,702,778)		(1,702,778)
Student & Instruction Related Services	5,734,774		1,711,149	(4,023,625)		(4,023,625)
School Administrative Services	1,268,140			(1,268,140)		(1,268,140)
General and Business Administrative Services	1,482,854			(1,482,854)		(1,482,854)
Plant Operations and Maintenance	3,744,189			(3,744,189)		(3,744,189)
Pupil Transportation	725,601			(725,601)		(725,601)
Employee Benefits	15,869,406			(15,869,406)		(15,869,406)
Charter Schools	1,895			(1,895)		(1,895)
Capital Outlay	3,052,638		164,348	(2,888,290)		(2,888,290)
Interest on Long-Term Debt	59,000			(59,000)		(59,000)
Depreciation	457,583			(457,583)		(457,583)
Total Government Activities	52,071,551	22,755	4,067,965	(47,980,831)	-	(47,980,831)
Business-Type Activities:						
Food Service and Miscellaneous	2,087,207	1,082,713	803,616		(200,878)	(200,878)
Total Business-Type Activities	2,087,207	1,082,713	803,616	-	(200,878)	(200,878)
Total Primary Government	54,158,758	1,105,468	4,871,581	(47,980,831)	(200,878)	(48,181,709)

ROSELLE PARK SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2023

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:						
Taxes						
Property Taxes, Levied for General Purpose, Net				22,580,069		22,580,069
Taxes Levied for Debt Service				627,400		627,400
Federal and State Aid Not Restricted				26,967,871		26,967,871
Miscellaneous Income				888,243		888,243
Total General Revenues and Transfers				<u>51,063,583</u>	<u>-</u>	<u>51,063,583</u>
Change in Net Position				3,082,752	(200,878)	2,881,874
Net Position - Beginning				<u>46,092,078</u>	<u>1,474,770</u>	<u>47,566,848</u>
Net Position - Ending				<u>\$ 49,174,830</u>	<u>1,273,892</u>	<u>50,448,722</u>

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

FUND FINANCIAL STATEMENTS – B

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 12,576,596	207,378	451,049	13,235,023
Receivables, Net	1,152,622	2,358,165		3,510,787
Interfund Receivable	317,789			317,789
Total Assets	<u>\$ 14,047,007</u>	<u>2,565,543</u>	<u>451,049</u>	<u>17,063,599</u>
<u>Liabilities and Fund Balance</u>				
Liabilities:				
Interfund Payable	\$ -	317,789		317,789
Payroll Deductions and Withholdings	112			112
Accounts Payable	412,529			412,529
Deferred Revenue		2,176,771		2,176,771
Total Liabilities	<u>412,641</u>	<u>2,494,560</u>	<u>-</u>	<u>2,907,201</u>
Fund Balance:				
Restricted for:				
Capital Projects Fund			451,049	451,049
Excess Surplus	2,039,137			2,039,137
Unemployment	105,446			105,446
Student Activities		200,572		200,572
Scholarships		6,806		6,806
Committed To:				
Capital Reserve	3,820,201			3,820,201
Maintenance Reserve	2,300,204			2,300,204
Assigned To:				
Designated for Subsequent Year's Expenditures				
Excess Surplus	1,970,103			1,970,103
Designated for Subsequent Year's Expenditures				
By the Board of Education	861,417			861,417
Designated for Subsequent Year's Expenditures				
Excess Surplus	1,194,673			1,194,673
Other Purposes	1,476,783			1,476,783
Unassigned:				
Special Revenue		(136,395)		(136,395)
General Fund	(133,598)			(133,598)
Total Fund Balances	<u>13,634,366</u>	<u>70,983</u>	<u>451,049</u>	<u>14,156,398</u>
Total Liabilities and Fund Balance	<u>\$ 14,047,007</u>	<u>2,565,543</u>	<u>451,049</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$55,804,737 and the accumulated depreciation is \$12,582,565. 43,222,172

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. (7,730,453)

Deferred outflow of resources - contributions to the pension plan 929,372

Deferred inflow of resources - acquisition of assets applicable to future reporting periods (1,385,784)

Accrued Interest (16,875)

Net Position of Governmental Activities **\$ 49,174,830**

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

ROSELLE PARK SCHOOL DISTRICT

Exhibit B-2

Sheet 1 of 2

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2023

	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Revenue</u> <u>Fund</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Debt</u> <u>Service</u> <u>Fund</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<u>Revenues</u>					
Local Sources:					
Local Tax Levy	\$ 22,580,069			627,400	23,207,469
Tuition Charges	22,755				22,755
Restricted Miscellaneous Funds	41,608				41,608
Miscellaneous	646,917	199,718			846,635
Total Local Sources	23,291,349	199,718	-	627,400	24,118,467
State Sources	27,183,068	1,355,532			28,538,600
Federal Sources	88,374	2,408,862			2,497,236
Total Revenues	50,562,791	3,964,112	-	627,400	55,154,303
<u>Expenditures</u>					
Current:					
Regular Instruction	10,676,605				10,676,605
Special Education Instruction	3,021,664	2,192,468			5,214,132
Other Special Instruction	2,039,543				2,039,543
Support Services and Undistributed Costs:					
Tuition	1,725,533				1,725,533
Student and Instruction Related Services	4,023,625	1,711,149			5,734,774
School Administrative Services	1,268,140				1,268,140
Other Administrative Services	1,482,854				1,482,854
Plant Operations and Maintenance	3,744,189				3,744,189
Pupil Transportation	725,601				725,601
Unallocated Benefits	16,845,956				16,845,956
Debt Service:					
Principal				560,000	560,000
Interest and Other Charges				67,400	67,400
Capital Outlay	1,332,290	164,348	1,556,000		3,052,638
Charter Schools	1,895				1,895
Total Expenditures	46,887,895	4,067,965	1,556,000	627,400	53,139,260

ROSELLE PARK SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>3,674,896</u>	<u>(103,853)</u>	<u>(1,556,000)</u>	<u>-</u>	<u>2,015,043</u>
Other Financing Sources (Uses):					
Transfer to Special Revenue - Preschool	<u>(113,400)</u>	<u>113,400</u>			<u>-</u>
Total Other Financing Sources (Uses)	<u>(113,400)</u>	<u>113,400</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>3,561,496</u>	<u>9,547</u>	<u>(1,556,000)</u>	<u>-</u>	<u>2,015,043</u>
Net Change in Fund Balances	<u>3,561,496</u>	<u>9,547</u>	<u>(1,556,000)</u>	<u>-</u>	<u>2,015,043</u>
Fund Balance - July 1	<u>10,072,870</u>	<u>61,436</u>	<u>2,007,049</u>		<u>12,141,355</u>
Fund Balance - June 30	<u>\$ 13,634,366</u>	<u>70,983</u>	<u>451,049</u>	<u>-</u>	<u>14,156,398</u>

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

ROSELLE PARK SCHOOL DISTRICT

Exhibit B-3

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURESAND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDSTO THE STATEMENT OF ACTIVITIESJUNE 30, 2023

Total Net Change in Fund Balances - Governmental Funds (From B-2)	\$ 2,015,043
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:	
Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.	
Depreciation Expense	(457,583)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.	
	560,000
Accrued Interest	8,400
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position	
	107,516
Net Pension Liability	(935,961)
Pension Related Deferrals	1,804,995
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).	
	<u>(19,658)</u>
Change in Net Position of Governmental Activities	<u>\$ 3,082,752</u>

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

ROSELLE PARK SCHOOL DISTRICT**STATEMENT OF NET POSITION**

Exhibit B-4

PROPRIETARY FUNDS**JUNE 30, 2023**

	<u>Business-Type Activities Enterprise Funds</u>
<u>Assets</u>	
Current Assets:	
Cash and Cash Equivalents	\$ 1,169,969
Accounts Receivable:	
State	4,726
Federal	107,398
Other	13,344
Inventory	18,660
Total Current Assets	<u>1,314,097</u>
Noncurrent Assets:	
Equipment	273,637
Accumulated Depreciation	<u>(271,885)</u>
Total Fixed Assets	<u>1,752</u>
Total Assets	<u>\$ 1,315,849</u>
<u>Liabilities</u>	
Current Liabilities:	
Accounts Payable	<u>\$ 41,927</u>
Total Current Liabilities	<u>\$ 41,927</u>
<u>Net Position</u>	
Investments in Capital Assets	\$ 1,752
Unrestricted	<u>1,272,140</u>
Total Net Position	<u>\$ 1,273,892</u>

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

ROSELLE PARK SCHOOL DISTRICTSTATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Exhibit B-5

PROPRIETARY FUNDSJUNE 30, 2023

	<u>Business-Type Activities Enterprise Funds</u>
Operating Revenues:	
Daily Sales - Reimbursable	\$ 346,315
Daily Sales - Non Reimbursable	150,529
Fees Charged	585,869
Total Operating Revenues	<u>1,082,713</u>
Operating Expenses:	
Salaries	952,777
Other Employee Benefits	124,409
Cost of Goods Sold - Reimbursable	395,875
Cost of Goods Sold - Non Reimbursable	169,661
Contracted Services	186,945
Supplies and Materials	92,190
Depreciation	147
Management Fee	47,303
Miscellaneous	117,900
Operating Expenses	<u>2,087,207</u>
Operating Gain/(Loss)	(1,004,494)
Non-Operating Revenues:	
State Sources:	
State School Lunch Program	22,477
State Breakfast Program	1,066
Federal Sources:	
National School Lunch Program	471,872
HHFKA Program	15,583
Breakfast Program	45,031
Paycheck Protection Program	55,290
Supply Chain Program	111,442
Food Distribution Program	80,855
Total Non-Operating Revenues	<u>803,616</u>
Change in Net Position	(200,878)
Total Net Position - Beginning	<u>1,474,770</u>
Total Net Position - Ending	<u>\$ 1,273,892</u>

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

ROSELLE PARK SCHOOL DISTRICT**STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS**

Exhibit B-6

JUNE 30, 2023

	Business-Type Activities Enterprise Funds
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 1,082,713
Payments for Salaries	(952,777)
Payments to Suppliers	(1,077,018)
Net Provided (Used) by Operating Activities	<u>(947,082)</u>
Cash Flows from Noncapital Financing Activities	
Federal & State Sources	722,761
Net Cash Provided by Noncapital Financing Activities	<u>722,761</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(224,321)
Balances - Beginning of Year	<u>1,394,260</u>
Balances - End of Year	<u>\$ 1,169,939</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (1,004,494)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities	
Depreciation	147
Federal Commodities Consumed	80,855
Decrease/(Increase) in Inventory	482
(Decrease)/Increase in Accounts Payable	25,714
Decrease/(Increase) in Accounts Receivable	(49,786)
Net Provided (Used) by Operating Activities	<u>\$ (947,082)</u>

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

NOTES TO FINANCIAL STATEMENTS

BOARD OF EDUCATION

ROSELLE PARK SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2023

NOTE 1: Summary of Significant Accounting Policies

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

A. Reporting Entity:

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

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The government-wide and fund financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include three elementary schools, a middle school and a high school located in Roselle Park, County of Union, New Jersey. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. GASB Statement 14 established criteria to be used to determine which component units should be included in the financial statements of the oversight entity. Furthermore the District is not includable in any other reporting entity on the basis of such criteria.

B. Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1: Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transaction related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the property tax levy. In general, other revenues are recognized when cash is received.

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principles operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

D. Fund Accounting:

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

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

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

Proprietary Fund Type

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

NOTE 1: Summary of Significant Accounting Policies (Continued)

D. Fund Accounting (Continued):

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

Private-Purpose Trust Fund: The trust fund encompasses other trust fund arrangements for which principal and income benefit individuals outside of the school district. The District issued scholarships to students.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

E. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g). All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2023 were insignificant.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

NOTE 1: Summary of Significant Accounting Policies (Continued)

E. Budgets/Budgetary Control (Continued):

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. All uncommitted budget appropriations lapse at year-end.

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

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

A reconciliation of the special revenue funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule (C-2) to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (B-2) is presented in the Budget-to-GAAP Reconciliation (C-3).

The following represents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types. Note that the district does not report encumbrances outstanding at year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

F. Encumbrances:

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues and/or reductions of receivables of other governments at fiscal year end.

NOTE 1: Summary of Significant Accounting Policies (Continued)

F. Encumbrances (Continued):

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.

G. Short-Term Interfund Receivables/Payables:

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

H. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

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.

I. Capital Assets and Depreciation

The District’s property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2003 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report dated October 10, 2002, included capital assets purchased during the 2002 fiscal year and prior with a historical cost of \$500 or more and capital assets purchased during the 2002-03 fiscal year with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2003, fiscal year 2003 depreciation expense, total accumulated depreciation and book values were also provided. The District has provided updates subsequent to 2003. The records are updated annually. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

The District currently has software that maintains proper capital asset and depreciation records.

NOTE 1: Summary of Significant Accounting Policies (Continued)**I. Capital Assets and Depreciation (Continued)**

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

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adj.</u>	<u>Balance</u> <u>June 30, 2023</u>
Governmental Activities:					
Capital Assets That are Not Being Depreciated:					
Land	\$ 27,615,850				27,615,850
Capital Leases	<u>205,451</u>	_____	(205,451)	_____	_____
Total Capital Assets Not Being Depreciated	<u>27,821,301</u>	_____	(205,451)	_____	<u>27,615,850</u>
Depreciable Assets:					
Site Improvements	1,241,185				1,241,185
Buildings & Sites	21,665,917				21,665,917
Equipment	<u>5,281,785</u>	_____	_____	_____	<u>5,281,785</u>
Total	<u>28,188,887</u>	_____	_____	_____	<u>28,188,887</u>
Less: Accumulated Depreciation:					
Site Improvements	(980,593)	(11,031)			(991,624)
Buildings	(6,743,347)	(272,122)			(7,015,469)
Equipment	<u>(4,401,042)</u>	<u>(174,430)</u>	_____	_____	<u>(4,575,472)</u>
Total Accumulated Depreciation	<u>(12,124,982)</u>	<u>(457,583)</u>	_____	_____	<u>(12,582,565)</u>
Net Depreciable Assets	<u>16,063,905</u>	<u>(457,583)</u>	_____	_____	<u>15,606,322</u>
Governmental Activities Capital Assets (Net)	<u>\$ 43,885,206</u>	<u>(457,583)</u>	<u>(205,451)</u>	_____	<u>43,222,172</u>
Business-Type Activities:					
Equipment	\$ 273,637				273,637
Less Accumulated Depreciation for:					
Equipment	<u>(271,738)</u>	(147)	_____	_____	<u>(271,885)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 1,899</u>	<u>(147)</u>	_____	_____	<u>1,752</u>

Depreciation expense was charged to governmental functions as follows:

Unallocated	<u>\$ 457,583</u>
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NOTE 1: Summary of Significant Accounting Policies (Continued)

J. Compensated Absences

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

K. Deferred Revenue

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. See Note 1(F) regarding the special revenue fund.

L. Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve.

M. Net Position

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

Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

Restricted – Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 1: Summary of Significant Accounting Policies (Continued)

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted – The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) if employed to previously commit those amounts.

Assigned – The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order; committed, assigned, then unassigned.

NOTE 2: Cash and Cash Equivalents and Investments

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

Investments are stated at cost, which approximates market. The District 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.

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.

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.

Investments

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

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

NOTE 2: Cash and Cash Equivalents and Investments (Continued)

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

	Cash and Cash Equivalents
Checking and Money Market Accounts	<u>\$ 14,404,992</u>

The carrying amount of the District's cash and cash equivalents at June 30, 2023 was \$14,404,992 and the bank balance was \$15,427,579. Of the bank balance, \$250,000 was covered by federal depository insurance and \$15,069,893 was covered by a collateral pool maintained by the banks as required by New Jersey statutes; and \$107,686 was uninsured.

Credit Risk Categories

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

GUDPA	\$ 15,069,893
FDIC	250,000
Uninsured	<u>107,686</u>
	<u>\$ 15,427,579</u>

As of June 30, 2023, the District did not hold any long-term investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial credit risk.

NOTE 3: General Long-Term Debt

During the fiscal year ended June 30, 2023, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Long-Term</u> <u>Portion</u>	<u>Amount</u> <u>Due in</u> <u>One Year</u>
Pension Liability	\$ 4,559,448	935,961		5,495,409	5,495,409	
Compensated Absences Payable	1,090,386	19,658		1,110,044	1,110,044	
Capital Leases Payable	205,451		(205,451)			
Bonds Payable	<u>1,685,000</u>		<u>(560,000)</u>	<u>1,125,000</u>	<u>565,000</u>	<u>560,000</u>
	<u>\$ 7,540,285</u>	<u>955,619</u>	<u>(765,451)</u>	<u>7,730,453</u>	<u>7,170,453</u>	<u>560,000</u>

NOTE 3: General Long-Term Debt (Continued)**Bonds Payable**

Bonds sold 8/15/2004 for \$9,219,000 at interest from 3.50% to 4.50% maturing 2/15/2025 with a balance of \$1,125,000 at June 30, 2023.

Schedule of Payments

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 560,000	45,000	605,000
2025	<u>565,000</u>	<u>22,600</u>	<u>587,600</u>
	<u>\$ 1,125,000</u>	<u>67,600</u>	<u>1,192,600</u>

NOTE 4: Pension Plans

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

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

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

NOTE 4: Pension Plans (Continued)

Vesting and Benefit Provisions – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

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 contribution. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Significant Legislation - During the year ended June 30, 1997, legislation was enacted Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Funding Policy – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.06% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

NOTE 4: Pension Plans (Continued)

The District's contributions to PERS for the year ended June 30, 2023 was \$459,201 for 2023 and \$450,736 for 2022, respectively, equal to the required contributions for each year.

During the year ended June 30, 2023, the State of New Jersey contributed \$7,826,836 to the TPAF pension benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,298,605 during the year ended June 30, 2023 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

Three-Year Trend Information for TPAF

Year	Annual	Percentage	Net
<u>Funding</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/23	\$ 7,826,836	100%	0
6/30/22	7,827,665	100%	0
6/30/21	5,973,177	100%	0

Three-Year Trend Information for PERS

Year	Annual	Percentage	Net
<u>Funding</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/23	\$ 459,201	100%	0
6/30/22	450,736	100%	0
6/30/21	509,164	100%	0

Public Employees' Retirement System (PERS)**Plan Description**

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A, PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

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

NOTE 4: Pension Plans (Continued)

Service retirement benefits of $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

Basis of Presentation

The schedule of employer allocations and the schedule of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology and Reconciliation to Financial Statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pension*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense. The employer allocation percentages presented in the schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2021 through June 30, 2022. Employer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the schedule of pension amounts by employer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarially determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each individual employer of the State and local groups of the plan.

NOTE 4: Pension Plans (Continued)

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedule of pension amount by employer. The allocation percentages for each group of June 30, 2022 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2022.

A special funding situation exists for certain Local employers of the Public Employees' Retirement System. The State of New Jersey, as a nonemployer, is required to pay the additional costs incurred by local employers under Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The Chapter 366, P.L. 2001 legislation established the Prosecutors Part of the PERS which provides enhanced retirement benefits for prosecutors enrolled in the PERS. The State is liable for the increased pension costs to a County that resulted from the enrollment of prosecutors in the Prosecutors Part. The June 30, 2022 State special funding situation net pension liability amount of \$127.8 million is the accumulated difference between the annual actuarially determined State obligation under the special funding situation and the actual State contribution through the valuation date. 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 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 pension expense of \$50.2 million, 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.

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, the State's pension contribution was less than the actuarial determined amount.

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

NOTE 4: Pension Plans (Continued)

For the year ended June 30, 2023, the District recognized pension expense of \$459,201. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 39,663	34,977
Changes of Assumptions	17,027	822,880
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	227,450	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	186,031	527,927
District Contributions Subsequent to the Measurement Date	<u>459,201</u>	<u> </u>
Total	<u>\$ 929,372</u>	<u>1,385,784</u>

\$459,201 reported as deferred outflows of resources related to pensions resulting from school district, project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2023, the plan measurement date is June 30, 2022) will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending**June 30,**

2023	\$ (467,432)
2024	(238,141)
2025	(116,137)
2026	253,376
2027	<u>(556)</u>
	<u>\$ (568,890)</u>

Additional Information

Collective balances at December 31, 2022 and 2021 are as follows:

	<u>Dec. 31, 2022</u>	<u>Dec. 31, 2021</u>
Collective Deferred Outflows of Resources	\$ 929,372	821,856
Collective Deferred Inflows of Resources	1,385,784	3,190,779
Collective Net Pension Liability	5,495,409	4,559,448
District's Proportion	0.03611%	0.03808%

NOTE 4: Pension Plans (Continued)**Components of Net Pension Liability**

The components of the collective net pension liability of the participating employers as of June 30, 2022 were as follows:

	2022		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 29,144,869,310	41,029,268,965	70,174,138,275
Plan Fiduciary Net Position	<u>6,758,038,264</u>	<u>25,810,084,045</u>	<u>32,568,122,309</u>
Net Pension Liability	<u>\$ 22,386,831,046</u>	<u>15,219,184,920</u>	<u>37,606,015,966</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	23.19%	62.91%	46.41%

The collective total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2022. This actuarial valuation used the following 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-Medial 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-Medial Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2021.

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

NOTE 4: Pension Plans (Continued)

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

<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 Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 4: Pension Plans (Continued)**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

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

	<u>2022</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	<u>\$ 7,059,991</u>	<u>5,495,409</u>	<u>4,163,887</u>

Teachers Pensions and Annuity Fund (TPAF)**Plan Description**

The State of New Jersey, Teacher's 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 contribution, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to the Division's annual financial statements which can be found at <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for TPAF:

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

NOTE 4: Pension Plans (Continued)

Service retirement benefits of $1/55^{\text{th}}$ 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 $1/60^{\text{th}}$ of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more of service credit before age 62, and tier 5 with 30 years or more 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.

Basis of Presentation

The Schedule of employers and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Allocation Methodology

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the schedule of employer and nonemployer allocation and applied to, presented in the schedule of pension amount by employer and nonemployer are based on the ratio of the State's actual contributions made as an employer and nonemployer adjusted for unpaid early retirement incentives to total contributions to TPAF during the year ended June 30, 2022. Employer and nonemployer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer and nonemployer may result in immaterial differences.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. State legislation had modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2022, State's pension contribution was less than the actuarial determined amount.

NOTE 4: Pension Plans (Continued)**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.

Components of Net Pension Liability

The components of the net pension liability of the State as of June 30, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
Total Pension Liability	\$ 76,317,117,835	74,699,133,697
Plan Fiduciary Net Position	<u>24,640,530,532</u>	<u>26,533,142,515</u>
Net Pension Liability	<u>\$ 51,676,587,303</u>	<u>48,165,991,182</u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 32.29%	 35.52%

State Proportionate Share of Net Pension Liability Attributable to District

	<u>2022</u>	<u>2021</u>
District's Liability	<u>\$ 78,394,810</u>	<u>73,780,395</u>
District's Proportion	.15170%	.15318%

NOTE 4: Pension Plans (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) related to pensions will be recognized in pension expense (benefit) as follows:

Year Ending June 30:	
2023	\$ (4,033,511)
2024	(5,800,754)
2025	(5,083,714)
2026	(2,289,764)
2027	(2,499,649)
Thereafter	<u>(2,560,321)</u>
Total	<u>\$ (22,267,713)</u>

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

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

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

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

NOTE 4: Pension Plans (Continued)**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2022) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. 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 Market Equity	13.50%	8.38%
Emerging Market Equity	5.50%	10.33%
Private Equity	13.00%	11.80%
Real Assets	3.00%	7.60%
Real Estate	8.00%	11.19%
High Yield	4.00%	4.95%
Private Credit	8.00%	8.10%
Investment Grade Credit	7.00%	3.38%
Cash Equivalents	4.00%	1.75%
U.S. Treasuries	4.00%	1.75%
Risk Mitigation Strategies	3.00%	4.91%

Discount Rate

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

NOTE 4: Pension Plans (Continued)**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State 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 was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2022</u>		
	<u>At 1% Decrease (6.00%)</u>	<u>At Current Discount Rate (7.00%)</u>	<u>At 1% Increase (8.00%)</u>
School District's Proportionate Share Of the Net Pension Liability	\$ 0	0	0
State of New Jersey's Proportionate Share Of the District's Net Pension Liability	<u>91,919,581</u>	<u>78,394,810</u>	<u>67,001,890</u>
	<u>\$ 91,919,581</u>	<u>78,394,810</u>	<u>67,001,890</u>

NOTE 5: Post-Retirement Benefits**General Information about the OPEB Plan****Plan description and benefits provided**

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

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

NOTE 5: Post-Retirement Benefits (Continued)

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

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Additional information on Pensions and OPEB can be accessed at state.nj.us/treasury/pensions/financial-reports.shtml.

Total OPEB Liability

The total OPEB liability as of June 30, 2022 was determined by an actuarial valuation as of June 20, 2021, with was rolled forward to June 30, 2022. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
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

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

NOTE 5: Post-Retirement Benefits (Continued)

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

(a) Health Care Trend Assumptions

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

(b) Discount Rate

The discount rate for June 30, 2022 was 3.54%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Changes in the total OPEB Liability reported by the State of New Jersey:

	Total <u>OPEB Liability</u>
Balances at June 30, 2021	\$ 60,007,650,970
Changes for the Year:	
Service Cost	2,770,618,025
Interest	1,342,187,139
Change of Benefit Terms	
Difference Between Expected and Actual Experience	1,399,200,736
Changes in Assumptions or Other Inputs	(13,586,368,097)
Member Contributions	42,650,252
Benefit Payments	<u>(1,329,476,059)</u>
Balance at June 30, 2022	<u>\$ 50,646,462,966</u>

There were no changes in benefit terms between the June 30, 2021 measurement date and the June 30, 2022 measurement date.

Changes of assumptions and other inputs reflect a change in the discount rate from 2.16% percent in 2021 to 3.54% percent in 2022.

NOTE 5: Post-Retirement Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease <u>(2.54%)</u>	Discount Rate <u>(3.54%)</u>	1% Increase <u>(4.54%)</u>
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 59,529,589,697</u>	<u>50,646,462,966</u>	<u>43,527,080,995</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share Of the Total Non-Employer OPEB Liability Associated with the School District	<u>\$ 41,862,397,291</u>	<u>50,646,462,966</u>	<u>62,184,866,635</u>

OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ended June 30, 2022, the Board of Education recognized OPEB expense of \$2,389,597 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the Board of Education's proportionate share of school retirees OPEB is zero; there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows or resources. At June 30, 2022, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 9,042,402,619	(15,462,950,679)
Changes in Proportion	<u>8,765,620,577</u>	<u>(17,237,289,230)</u>
Total	<u>\$ 17,808,023,196</u>	<u>(32,700,239,909)</u>

NOTE 5: Post-Retirement Benefits (Continued)

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

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

NOTE 6: Interfund Receivables and Payables

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

There were interfunds as of June 30, 2023 as follows:

	<u>From</u>	<u>To</u>
Special Revenue Fund	\$ 317,789	
General Fund	<u> </u>	<u>317,789</u>
	<u>\$ 317,789</u>	<u>317,789</u>

The interfund loan is due to the Special Revenue Fund awaiting Federal reimbursements. Once received, the interfund will be eliminated, which is expected to be within one year.

NOTE 7: Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the right to the benefits.

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

NOTE 7: Compensated Absences (Continued)

The liability for vested compensated absences of the governmental fund types is recorded in the general long-term debt account group (or current and long-term liabilities). The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability balance of compensated absences.

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 Food Service Fund.

NOTE 8: Economic Dependency

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

NOTE 9: Capital Reserve Account

A capital reserve account was established by the Borough of Roselle Park Board of Education by inclusion of \$100 in 1999, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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 balances in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2022	\$ 3,514,874
Deposit by Board Resolution	<u>1,500,000</u>
Ending Balance, June 30, 2023	<u>\$ 5,014,874</u>

*\$1,194,673 has been designated for subsequent years expenditures in the 2023-2024 budget.

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.

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

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 the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current year and previous year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Balance</u>
2022-2023	\$ 0	41,608	45,668	105,446
2021-2022	0	38,054	0	109,506
2020-2021	0	32,466	24,962	71,452

NOTE 11: Contingent Liabilities

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

NOTE 12: Equity Balance

At June 30, 2023, the General Fund equity balance was as follows:

Unemployment	\$ 105,446
Maintenance Reserve	2,300,204
Capital Reserve	3,820,201
Designated for Subsequent Years Expenditures – Capital Reserve	1,194,673
Excess Surplus	2,039,224
Designated for Subsequent Years Expenditures – Excess Surplus	1,970,103
Designated for Subsequent Years Expenditures – By the BOE	861,417
Committed Fund Balance:	
Year-End Encumbrances	1,476,783
Unassigned Fund Balance	<u>1,578,095</u>
	<u>\$ 15,346,146</u>

NOTE 12: Equity Balance (Continued)**2% Calculation of Excess Surplus**

2022-23 Total General Fund Expenditures Per the ACFR \$ 46,887,984

Decreased by:

On-Behalf TPAF Pension & Social Security (9,125,441)Adjusted 2022-23 General Fund Expenditures \$ 37,762,543

2% of Adjusted 2022-23 General Fund Expenditures \$ 755,251

Increased by Allowable Adjustments 822,844Maximum Unassigned Fund Balance \$ 1,578,095**Section 2**

Total General Fund – Fund Balance @ 6-30-23 \$ 15,346,146

Decreased by:

Reserved for Encumbrances (1,476,783)

Designated for Subsequent Years Expenditures – Excess Surplus (1,970,103)

Designated for Subsequent Years Expenditures – BOE (861,417)

Designated for Subsequent Years Expenditures – Capital Reserve (1,194,673)

Reserve for Unemployment (105,446)

Other Reserves (6,120,405)Total Unassigned Fund Balance \$ 3,617,319Excess Surplus \$ 2,039,137**Section 3**

Reserved Fund Balance – Excess Surplus \$ 2,039,224

Designated for Subsequent Years Expenditures - Excess Surplus 1,970,103\$ 4,009,327**Detail of Allowable Adjustments**Extraordinary Aid \$ 822,844**Detail of Other Reserved Fund Balance**

Capital Reserve \$ 3,820,201

Maintenance Reserve 2,300,204\$ 6,120,405

Reserved excess surplus represents a calculation under N.J.S.A. 18A:7F-7 which identifies an amount of surplus under the statute which must be restricted for use in the next succeeding budget. Designated for subsequent year's represents the amount appropriated in the 2023-2024 budget.

Unrestricted is surplus not previously committed or reserved for any other purpose.

NOTE 13: Subsequent Events

Subsequent events have been evaluated through January 15, 2024, which is the date the financial statements were available to be issued. No additional subsequent event disclosures are required.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES – C

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1

Sheet 1 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 22,580,069		22,580,069	22,580,069	-
Tuition From Individuals			-	2,362	2,362
Tuition From Other LEA's Within The State			-	20,393	20,393
Transportation From Other LEA's Within The State	45,000		45,000		(45,000)
Unrestricted Miscellaneous Revenues	45,524		45,524	646,917	601,393
Other Restricted Miscellaneous Revenues			-	41,608	41,608
Total Local Sources	<u>22,670,593</u>	<u>-</u>	<u>22,670,593</u>	<u>23,291,349</u>	<u>620,756</u>
State Sources:					
Equalization Aid	15,355,499		15,355,499	15,355,499	-
Special Education Aid	1,320,686		1,320,686	1,320,686	-
Extraordinary Aid	200,000		200,000	1,022,844	822,844
Security Aid	443,400		443,400	443,400	-
Transportation Aid	128,375		128,375	128,375	-
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,627,863	1,627,863
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	6,196,717	6,196,717
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	2,256	2,256
Reimbursed TPAF Social Security Contribution (Non-Budgeted)			-	1,298,605	1,298,605
Total State Sources	<u>17,447,960</u>	<u>-</u>	<u>17,447,960</u>	<u>27,396,245</u>	<u>9,948,285</u>
Federal Sources:					
Medicaid Reimbursement	64,189		64,189	88,374	24,185
Total Federal Sources	<u>64,189</u>	<u>-</u>	<u>64,189</u>	<u>88,374</u>	<u>24,185</u>
Total Revenues	<u>40,182,742</u>	<u>-</u>	<u>40,182,742</u>	<u>50,775,968</u>	<u>10,593,226</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1

Sheet 2 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	540,324	(29,233)	511,091	426,881	84,210
Grades 1-5	3,384,304	(43,604)	3,340,700	3,085,653	255,047
Grades 6-8	2,372,115	43,071	2,415,186	2,413,443	1,743
Grades 9-12	3,644,491	(19,807)	3,624,684	3,550,649	74,035
Home Instruction:					
Salaries of Teachers	20,000		20,000	14,132	5,868
Purchased Professional Educational Services	22,000	(719)	21,281	14,203	7,078
Undistributed:					
Other Salaries For Instruction	108,667	149,269	257,936	257,443	493
Purchased Professional/Educational Services	3,149	117,025	120,174	102,034	18,140
Other Purchased Services	724,851	(341,074)	383,777	350,323	33,454
General Supplies	626,018	97,099	723,117	381,913	341,204
Textbooks	35,000	15,000	50,000	48,635	1,365
Other Objects	15,000	16,600	31,600	31,296	304
Total Regular Programs	<u>11,495,919</u>	<u>3,627</u>	<u>11,499,546</u>	<u>10,676,605</u>	<u>822,941</u>
Learning and/or Language Disabilities:					
Specific Learning Disabled:					
Salaries of Teachers	215,056	76,829	291,885	237,592	54,293
Other Salaries for Instruction	20,000	(12,000)	8,000		8,000
General Supplies	2,000		2,000	1,307	693
Total Learning and/or Language Disabilities	<u>237,056</u>	<u>64,829</u>	<u>301,885</u>	<u>238,899</u>	<u>62,986</u>

ROSELLE PARK SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Multiple Disabilities					
Salaries of Teachers	158,239	2,626	160,865	160,865	-
Other Salaries for Instruction	72,660	(29,920)	42,740	42,740	-
Other Objects	1,000	(1,000)	-	-	-
Total Multiple Disabilities	231,899	(28,294)	203,605	203,605	-
Resource Room:					
Salaries of Teachers	2,163,338	(15,903)	2,147,435	2,112,425	35,010
General Supplies	10,000	(895)	9,105	7,168	1,937
Total Resource Room	2,173,338	(16,798)	2,156,540	2,119,593	36,947
Autism					
Salaries-Teachers	273,142	88,893	362,035	303,811	58,224
Other Salaries for Instruction	85,534	(18,471)	67,063	65,660	1,403
General Supplies	6,000	1,240	7,240	7,077	163
Total-Autism	364,676	71,662	436,338	376,548	59,790
Preschool Disabilities Full-Time:					
Salaries of Teachers	81,527	60,065	141,592	80,972	60,620
Other Salaries for Instruction	42,403	(40,000)	2,403	1,763	640
General Supplies	2,000		2,000	284	1,716
Total Preschool Disabilities Full-Time	125,930	20,065	145,995	83,019	62,976
Total Special Programs	3,132,899	111,464	3,244,363	3,021,664	222,699
Basic Skills/Remedial:					
Salaries of Teachers	528,920	(6,823)	522,097	520,645	1,452
General Supplies	5,000	(5,000)	-	-	-
Total Basic Skills/Remedial	533,920	(11,823)	522,097	520,645	1,452

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1
Sheet 4 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Bilingual Education:					
Salaries of Teachers	638,850	(4,372)	634,478	634,478	-
General Supplies	2,000		2,000	1,998	2
Total Bilingual Education	<u>640,850</u>	<u>(4,372)</u>	<u>636,478</u>	<u>636,476</u>	<u>2</u>
School Sponsored Co-Curricular & Extra-Curricular Activities:					
Salaries	185,000	(10,422)	174,578	174,538	40
Supplies	2,000	(2,000)	-		-
Total Co-Curricular & Extra-Curricular Activities	<u>187,000</u>	<u>(12,422)</u>	<u>174,578</u>	<u>174,538</u>	<u>40</u>
School Sponsored Athletics:					
Salaries	470,000	(8,162)	461,838	460,743	1,095
Repairs - Other Purchased Services		19,236	19,236	11,918	7,318
Rentals & Leases - Other Purchased Services			-		-
Other Purchased Services	58,890	4,000	62,890	56,640	6,250
Supplies and Materials	80,000	20,215	100,215	71,720	28,495
Other Objects	45,140	42	45,182	37,431	7,751
Transfers to Cover Deficit	74,850	(29,850)	45,000	45,000	-
Total School Sponsored Athletics	<u>728,880</u>	<u>5,481</u>	<u>734,361</u>	<u>683,452</u>	<u>50,909</u>
Before and After School Programs:					
Salaries of Teachers	27,000	(11,813)	15,187	4,736	10,451
Other Salaries for Instruction	10,000	2,015	12,015	10,675	1,340
Total Before and After School Programs	<u>37,000</u>	<u>(9,798)</u>	<u>27,202</u>	<u>15,411</u>	<u>11,791</u>
Student Workers					
Salaries		14,021	14,021	9,021	5,000
Total Instruction	<u>16,756,468</u>	<u>96,178</u>	<u>16,852,646</u>	<u>15,737,812</u>	<u>1,114,834</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1
Sheet 5 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures:					
Instruction:					
Tuition to Magnet Schools	677,500	(240,700)	436,800	436,800	-
Tuition to County Vocational School		260,000	260,000	256,000	4,000
Tuition to County Vocational School - Special	4,000	4,000	8,000	5,211	2,789
Tuition To CSSD & Regular Day Schools	544,005	(66,632)	477,373	258,704	218,669
Tuition to Private Schools - Handicapped Within State	888,262		888,262	728,548	159,714
Tuition - State Facilities	40,270		40,270	40,270	-
Total Undistributed Expenditures - Instruction	<u>2,154,037</u>	<u>(43,332)</u>	<u>2,110,705</u>	<u>1,725,533</u>	<u>385,172</u>
Attendance and Social Work Services:					
Other Purchased Services	<u>15,000</u>	<u>(1,300)</u>	<u>13,700</u>	<u>13,170</u>	<u>530</u>
Health Services:					
Salaries	336,529	5,789	342,318	309,484	32,834
Purchased Professional and Technical Services	14,000	(2,589)	11,411	11,392	19
Supplies and Materials	<u>3,833</u>	<u>(65)</u>	<u>3,768</u>	<u>3,062</u>	<u>706</u>
Total Health Services	<u>354,362</u>	<u>3,135</u>	<u>357,497</u>	<u>323,938</u>	<u>33,559</u>
Other Support Services - Students - Related Services:					
Salaries of Teachers	442,849	28,000	470,849	441,597	29,252
Purchased Professional-Educational Services	95,000	7,000	102,000	95,244	6,756
Supplies and Materials	<u>1,800</u>		<u>1,800</u>	<u>1,800</u>	<u>-</u>
Total Other Support Services - Students - Related Services	<u>539,649</u>	<u>35,000</u>	<u>574,649</u>	<u>538,641</u>	<u>36,008</u>
Other Support Services - Students - Extraordinary Services:					
Salaries	693,477	(447,608)	245,869	170,282	75,587
Other Salaries for Instruction		491,082	491,082	477,686	13,396
Total Other Support Services - Students - Extraordinary Services	<u>693,477</u>	<u>43,474</u>	<u>736,951</u>	<u>647,968</u>	<u>88,983</u>

ROSELLE PARK SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Guidance Services:					
Salaries of Other Professional Staff	962,055	(71,708)	890,347	875,043	15,304
Salaries of Secretarial Assistants	135,591	16,567	152,158	152,157	1
Other Purchased Professional Services	20,000	(3,548)	16,452	7,804	8,648
Supplies and Materials	5,000	(2,057)	2,943	1,136	1,807
Total Guidance Services	<u>1,122,646</u>	<u>(60,746)</u>	<u>1,061,900</u>	<u>1,036,140</u>	<u>25,760</u>
Child Study Team Services:					
Salaries of Other Professional Staff	686,493	91	686,584	686,325	259
Salaries of Secretarial/Clerical Assistants	57,613	2,158	59,771	59,771	-
Other Purchased Professional Services	50,000	2,499	52,499	47,744	4,755
Miscellaneous Purchased Services	1,500	(1,479)	21	21	-
Supplies and Materials	12,000	(7,600)	4,400	4,226	174
Other Objects	250	100	350	265	85
Total Child Study Team Services	<u>807,856</u>	<u>(4,231)</u>	<u>803,625</u>	<u>798,352</u>	<u>5,273</u>
Improvement of Instruction:					
Salaries of Supervisors of Instruction		145,349	145,349	145,349	-
Salaries of Other Professional Staff		7,094	7,094	7,063	31
Salaries of Secretarial Assistants	61,763	2,109	63,872	63,872	-
Other Purchased Services	14,000	(9,841)	4,159		4,159
Supplies and Materials	5,000	(362)	4,638	1,555	3,083
Total Improvement of Instruction	<u>80,763</u>	<u>144,349</u>	<u>225,112</u>	<u>217,839</u>	<u>7,273</u>
Library/Media Services:					
Salaries	68,984	93	69,077	69,077	-
Salaries of Technology Coordinators	345,496	7,125	352,621	352,621	-
Other Purchased Services	80,000	(93)	79,907		79,907
Supplies and Materials	8,000		8,000		8,000
Total Educational Media Services	<u>502,480</u>	<u>7,125</u>	<u>509,605</u>	<u>421,698</u>	<u>87,907</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1
Sheet 7 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Staff Development:					
Teacher Mentor Reimbursement		70	70		70
Purchased Professional-Educational Services	8,000	1,155	9,155	8,869	286
Other Purchased Services	32,000	(650)	31,350	16,751	14,599
Supplies and Materials	500		500	259	241
Total Staff Development	<u>40,500</u>	<u>575</u>	<u>41,075</u>	<u>25,879</u>	<u>15,196</u>
General Administration:					
Salaries	276,191	1,063	277,254	277,253	1
Legal Services	120,000	150	120,150	120,127	23
Audit Fees	18,500		18,500	18,500	-
Other Purchased Professional Services	25,000	49,850	74,850	11,510	63,340
Communications/Telephone	70,000	(5,300)	64,700	48,679	16,021
BOE Other Purchased Services		2,300	2,300	2,151	149
Miscellaneous Purchased Services	130,000	9,815	139,815	139,466	349
General Supplies	8,000	3,500	11,500	11,422	78
Miscellaneous Expenditures	20,000	(1,000)	19,000	16,926	2,074
BOE Membership Dues and Fees	25,000	(9,415)	15,585	15,467	118
Total General Administration	<u>692,691</u>	<u>50,963</u>	<u>743,654</u>	<u>661,501</u>	<u>82,153</u>
School Administration:					
Salaries of Principals/Assistants	968,856	63,686	1,032,542	903,024	129,518
Salaries of Secretarial and Clerical Assistants	369,088	5,099	374,187	353,738	20,449
Unused Vacation Payment		4,769	4,769		4,769
Supplies and Materials	3,000	(568)	2,432	1,233	1,199
Other Objects		10,500	10,500	10,145	355
Total School Administration	<u>1,340,944</u>	<u>83,486</u>	<u>1,424,430</u>	<u>1,268,140</u>	<u>156,290</u>

ROSELLE PARK SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Business/Central Services:					
Salaries	346,999	(20,111)	326,888	326,888	-
Unused Vacation Payment		22,509	22,509	22,509	-
Purchased Technical Services	10,000	(510)	9,490	9,416	74
Miscellaneous Purchased Services	4,000	(1,600)	2,400	2,350	50
Supplies and Materials	5,000	2,110	7,110	7,090	20
Other Objects	3,000	(1,568)	1,432	1,432	-
Total Business/Central Services	368,999	830	369,829	369,685	144
Technology Services:					
Salaries	268,969	7,544	276,513	276,513	-
Purchased Technical Services	171,493	(9,047)	162,446	162,143	303
Other Purchased Services	5,000	(5,000)	-	-	-
Supplies and Materials	3,500	5,000	8,500	3,012	5,488
Other Objects	2,000	8,000	10,000	10,000	-
Total Technology Services	450,962	6,497	457,459	451,668	5,791
Required Maintenance of School Facilities:					
Salaries	384,710	(1,932)	382,778	373,607	9,171
Cleaning, Repair & Maintenance Services	1,470,000	145,769	1,615,769	1,370,854	244,915
General Supplies	130,000	25,843	155,843	144,549	11,294
Other Objects		2,700	2,700	2,398	302
Total Required Maintenance of School Facilities	1,984,710	172,380	2,157,090	1,891,408	265,682

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1
Sheet 9 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Operation of Plant:					
Salaries	983,902	(4,300)	979,602	971,421	8,181
Other Salaries	94,241		94,241		94,241
Purchased Professional Services	270,000	(41,396)	228,604	129,221	99,383
Cleaning, Repair, Maintenance Services	30,000	(17,000)	13,000	1,396	11,604
Other Purchased Property	70,000		70,000	53,371	16,629
Insurance	150,000	10,000	160,000	159,989	11
Miscellaneous Purchased Services	3,000	2,800	5,800	5,162	638
General Supplies	85,000	(76,100)	8,900	4,384	4,516
Energy (Electricity ,Natural Gas)	530,000	13,300	543,300	425,572	117,728
Gasoline	30,000	(800)	29,200	27,302	1,898
Other Objects	2,000	500	2,500	2,434	66
Total Operations and Maintenance of Plant	<u>2,248,143</u>	<u>(112,996)</u>	<u>2,135,147</u>	<u>1,780,252</u>	<u>354,895</u>
Security:					
Purchased Professional Services	12,000	62,300	74,300	72,529	1,771
Total Operations and Maintenance of Plant Services	<u>4,244,853</u>	<u>121,684</u>	<u>4,366,537</u>	<u>3,744,189</u>	<u>622,348</u>
Student Transportation Services:					
Salaries of Non-Instructional Aides	85,687	(46,553)	39,134	34,725	4,409
Salaries Pupil Transportation-Bet. Home & School	70,000	17,883	87,883	87,883	-
Salaries Pupil Transportation-Other Bet. Home & School	120,000	19,570	139,570	139,570	-
Cleaning, Repair & Maint.	65,000	26,492	91,492	89,116	2,376
Contracted Services - Between Home & School - Vendor	12,000	(4,650)	7,350	7,324	26
Contracted Services - Other than Bet. Home & School - Vendor	35,000	(10,000)	25,000	23,416	1,584
Transportation - Special Ed- ESC & CTSA's	375,000	38,650	413,650	339,298	74,352
Miscellaneous Purchased Services	20,000	(20,000)	-		-
Supplies	1,000	(400)	600		600
Other Objects		4,500	4,500	4,269	231
Total Student Transportation Services	<u>783,687</u>	<u>25,492</u>	<u>809,179</u>	<u>725,601</u>	<u>83,578</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1
Sheet 10 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Employee Benefits:					
Social Security Contributions	464,000	4,115	468,115	443,655	24,460
Other Retirement Contributions-PERS	500,000	(20,000)	480,000	459,201	20,799
Other Retirement Contributions-Regular	35,000	885	35,885	35,885	-
Workmen's Compensation	265,000	(35,000)	230,000	228,796	1,204
Unemployment Compensation		45,667	45,667	45,667	-
Health Benefits	7,517,610	(637,293)	6,880,317	5,738,474	1,141,843
Tuition Reimbursement	60,000	385	60,385	29,486	30,899
Unused Sick Payment to Terminated/Retired Staff	45,000	99,950	144,950	144,423	527
Other Employee Benefits	275,000	383,050	658,050	594,928	63,122
Total Personal Services Employee Benefits	9,161,610	(158,241)	9,003,369	7,720,515	1,282,854
On-Behalf T.P.A.F Pension Contributions - Post Retirement Medical (Non-Budgeted)			-	1,627,863	(1,627,863)
On-Behalf T.P.A.F Pension Contributions - Normal Cost (Non-Budgeted)			-	6,196,717	(6,196,717)
On-Behalf T.P.A.F Pension Contributions - Long-Term Disability			-	2,256	(2,256)
Reimbursed TPAF Social Security Contribution (Non-Budgeted)			-	1,298,605	(1,298,605)
	-	-	-	9,125,441	(9,125,441)
Total Undistributed Expenditures	23,354,516	254,760	23,609,276	29,815,898	(6,206,622)
Total Expenditures - Current Expense	40,110,984	350,938	40,461,922	45,553,710	(5,091,788)
Capital Outlay:					
School Buses - Regular		145,320	145,320		145,320
Undistributed Expenditures - Required Maintenance School Facilities		126,636	126,636	126,636	-
Total Capital Outlay	-	271,956	271,956	126,636	145,320

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1

Sheet 11 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Facilities Improvements:					
Construction Services	1,726,435	177,380	1,903,815	1,173,118	730,697
Debt Service Assessment	32,536		32,536	32,536	-
Total Facilities Improvements	<u>1,758,971</u>	<u>177,380</u>	<u>1,936,351</u>	<u>1,205,654</u>	<u>730,697</u>
Total Capital Outlay	<u>1,758,971</u>	<u>449,336</u>	<u>2,208,307</u>	<u>1,332,290</u>	<u>876,017</u>
Transfer of Funds to Charter Schools	<u>13,168</u>		<u>13,168</u>	<u>1,895</u>	<u>11,273</u>
Total Expenditures	<u>41,883,123</u>	<u>800,274</u>	<u>42,683,397</u>	<u>46,887,895</u>	<u>(4,204,498)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,700,381)</u>	<u>(800,274)</u>	<u>(2,500,655)</u>	<u>3,888,073</u>	<u>6,388,728</u>
Other Financing Sources (Uses):					
Transfer to Preschool Program	<u>(113,400)</u>		<u>(113,400)</u>	<u>(113,400)</u>	
Total Other Financing Sources (Uses)	<u>(113,400)</u>	<u>-</u>	<u>(113,400)</u>	<u>(113,400)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(1,813,781)</u>	<u>(800,274)</u>	<u>(2,614,055)</u>	<u>3,774,673</u>	<u>6,388,728</u>
Fund Balance, July 1	<u>11,571,473</u>		<u>11,571,473</u>	<u>11,571,473</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 9,757,692</u>	<u>(800,274)</u>	<u>8,957,418</u>	<u>15,346,146</u>	<u>6,388,728</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-1

Sheet 12 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 2,039,224	
Maintenance Reserve				2,300,204	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,970,103	
Designated for Subsequent Year's Expenditures - by the BOE				861,417	
Designated for Subsequent Year's Expenditures - Capital Reserve				1,194,673	
Capital Reserve				3,820,201	
Unemployment Compensation				105,446	
Assigned Fund Balance:					
Year-End Encumbrances				1,476,783	
Unassigned Fund Balance				<u>1,578,095</u>	
				15,346,146	
Reconciliation to Governmental Fund Statement (GAAP):					
Final State Aid Payments Not Recognized on GAAP Basis				<u>(1,711,780)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 13,634,366</u>	

ROSELLE PARK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-2
 Sheet 1 of 3

SPECIAL REVENUE FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources	\$ 299,708		299,708	299,708	
State Sources	1,365,195	-	1,365,195	1,365,195	
Federal Sources:					
Title I, Part A	310,135		310,135	310,135	
Title I, SIA	3,896		3,896	3,896	
Title IIA, Part A	53,010		53,010	53,010	
Title III	54,883		54,883	54,883	
Title III Immigrant	402		402	402	
Title IV	24,320		24,320	24,320	
IDEA Part B, Basic	536,757		536,757	536,757	
IDEA Part B, Preschool	18,556		18,556	18,556	
ARP IDEA Part B, Basic	32,422		32,422	32,422	
ARP IDEA Part B, Preschool	561		561	561	
CRRSA ESSER II	386,575		386,575	386,575	
CRRSA Learning Acceleration	19,270		19,270	19,270	
CRRSA Mental Health	4,337		4,337	4,337	
ARP ESSER	2,276,454		2,276,454	2,276,454	
ARP Learning Coach\Instruction	98,067		98,067	98,067	
ARP Summer	686		686	686	
ARP Beyond School	40,000		40,000	40,000	
ARP Mental Health	44,000		44,000	44,000	
Educational Stabilization Fund (CARES Act)	13		13	13	
Total Federal Sources	3,904,344		3,904,344	3,904,344	-
Total Revenues	5,569,247	-	5,569,247	5,569,247	-

ROSELLE PARK SCHOOL DISTRICT

Exhibit C-2

Sheet 2 of 3

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Instruction:					
Salaries of Teachers	989,107		989,107	989,107	
Other Salaries for Instruction	180,835		180,835	180,835	
Purchased Professional and Educational Services	7,425		7,425	7,425	
Other Purchased Services	478,071		478,071	478,071	
Instructional Supplies	537,030		537,030	537,030	
Total Instruction	<u>2,192,468</u>	<u>-</u>	<u>2,192,468</u>	<u>2,192,468</u>	<u>-</u>
Support Services:					
Salaries of Teachers	107,361		107,361	107,361	
Salaries of Other Professional Staff	351,769		351,769	351,769	
Employee Benefits	613,584		613,584	613,584	
Purchased Technical Services	271,582		271,582	271,582	
Other Purchased Services	18,455		18,455	18,455	
Supplies and Materials	67,830		67,830	67,830	
Miscellaneous Expenses	14,854		14,854	14,854	
Scholarships Awarded	850		850	850	
Student Activities	264,864		264,864	264,864	
Total Support Services	<u>1,711,149</u>	<u>-</u>	<u>1,711,149</u>	<u>1,711,149</u>	<u>-</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	2,150		2,150	2,150	
Construction Services	1,648,915		1,648,915	1,648,915	
Total Facilities Acquisition and Construction Services	<u>1,651,065</u>	<u>-</u>	<u>1,651,065</u>	<u>1,651,065</u>	<u>-</u>
Total Expenditures	<u>5,554,682</u>	<u>-</u>	<u>5,554,682</u>	<u>5,554,682</u>	<u>-</u>

ROSELLE PARK SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE

Exhibit C-2
 Sheet 3 of 3

SPECIAL REVENUE FUND

JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,565</u>	<u>-</u>	<u>14,565</u>	<u>14,565</u>	<u>-</u>
Fund Balance, July 1				<u>192,813</u>	
Fund Balance, June 30				<u>207,378</u>	
Recapitulation:					
Restricted:					
Scholarships				\$ 6,806	
Student Activities				<u>200,572</u>	
Total Fund Balance				<u>\$ 207,378</u>	

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

ROSELLE PARK SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Exhibit C-3

BUDGET TO GAAP RECONCILIATION

NOTE TO RSI

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General Fund</u>	<u>Special Revenue Fund</u>
<u>Sources/Inflows of Resources</u>		
Actual Amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$ 50,775,968	5,569,247
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized (net)		(1,486,717)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,498,603	131,377
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(1,711,780)</u>	<u>(136,395)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 50,562,791</u>	<u>4,077,512</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 46,887,895	5,554,682
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 (net)		<u>(1,486,717)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 46,887,895</u>	<u>4,067,965</u>

REQUIRED SUPPLEMENTARY INFORMATION – PART III

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR PENSIONS (GASB 68) – L**

ROSELLE PARK SCHOOL DISTRICT

Exhibit L-1

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - PERS

LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.03611%	0.03808%	0.03952%	0.03769%	0.03778%	0.03909%	0.03974%	0.04223%	0.04012%	0.04097%
District's Proportionate Share of the Net Pension Liability	<u>\$ 5,495,409</u>	<u>4,559,448</u>	<u>6,495,230</u>	<u>6,838,501</u>	<u>7,438,616</u>	<u>9,100,404</u>	<u>11,770,332</u>	<u>9,480,161</u>	<u>7,511,141</u>	<u>7,830,293</u>
District's Covered-Employee Payroll	\$ 2,724,009	2,634,794	2,905,230	2,756,052	2,623,136	2,605,613	2,680,103	2,785,044	2,794,257	2,792,623
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	49.57%	57.79%	44.73%	40.30%	35.26%	28.63%	22.77%	29.38%	37.20%	35.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	46.41%	42.90%	42.90%	42.04%	40.45%	36.78%	31.20%	38.21%	42.74%	40.71%

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS

LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 450,736	509,164	400,107	402,485	396,982	362,869	363,606	331,725	317,033	305,256
Contributions in Relation to the Contractually Required Contribution	450,736	509,164	400,107	402,485	396,982	362,869	363,606	331,725	317,033	305,256
Contribution Deficiency (Excess)	\$ -	-	-	-	-	-	-	-	-	-
District's Covered-Employee Payroll	\$ 2,724,009	2,634,794	2,905,230	2,756,052	2,623,136	2,605,613	2,680,103	2,785,044	2,794,257	2,792,623
Contributions as a Percentage of Covered-Employee Payroll	16.55%	19.32%	13.77%	14.60%	15.13%	13.93%	13.57%	11.91%	11.35%	10.93%

ROSELLE PARK SCHOOL DISTRICT

Exhibit L-3

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE

NET PENSION LIABILITY - TPAF

LAST TEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate Share of the Net Pension Liability	\$ -	-	-	-	-	-	-	-	-	-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>78,394,840</u>	<u>73,780,395</u>	<u>101,444,112</u>	<u>93,522,577</u>	<u>95,337,173</u>	<u>102,167,459</u>	<u>112,184,007</u>	<u>87,401,052</u>	<u>76,806,770</u>	<u>70,057,721</u>
Total	<u>\$ 78,394,840</u>	<u>73,780,395</u>	<u>101,444,112</u>	<u>93,522,577</u>	<u>95,337,173</u>	<u>102,167,459</u>	<u>112,184,007</u>	<u>87,401,052</u>	<u>76,806,770</u>	<u>70,057,721</u>
District's Covered-Employee Payroll	\$ 17,302,942	17,007,601	17,014,059	16,308,979	16,337,703	15,810,551	15,530,736	15,153,132	14,266,577	13,741,586
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	22.07%	23.05%	16.77%	17.44%	17.14%	15.48%	13.84%	17.34%	18.57%	19.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	32.29%	32.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%	33.76%

ROSELLE PARK SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS
TEACHER'S PENSION AND ANNUITY FUND (TPAF)
LAST TEN FISCAL YEARS

L-4

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

ROSELLE PARK SCHOOL DISTRICT**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION – PART III**

L-5

FOR THE FISCAL YEAR ENDED JUNE 30, 2023**Public Employee’s Retirement System (PERS)**

Changes in Benefit Terms – None

Changes in Assumptions – The discount rate remained at 7.00% as of June 30, 2021, and as of June 30, 2022, in accordance with Paragraph 44 of GASB Statement No. 67.

Teachers’ Pension and Annuity Fund (TPAF)

Changes in Benefit Terms – None

Changes in Assumption – The discount rate remained at 7.00% as of June 30, 2021, and as of June 30, 2022, in accordance with Paragraph 44 of GASB Statement No. 67.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR OPEB (GASB 75) - M**

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS

Exhibit M-1

LAST SEVEN FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's Proportionate Share of OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
District's Proportionate of the Net OPEB Liability	\$ -	-	-	-	-	-	-
<u>State's OPEB Liability Attributable to the District</u>							
Service Cost	\$ 4,202,156	4,808,384	2,547,512	2,431,307	2,842,686	3,438,149	*
Interest	1,956,348	2,332,278	2,164,119	2,640,713	2,892,165	2,500,483	*
Change in Benefit Terms		(95,695)					*
Benefit Payments	(1,937,820)	(1,837,182)	(1,705,872)	(1,845,027)	(1,783,290)	(1,825,113)	*
Member Contributions	62,166	59,625	51,705	54,692	61,633	67,205	*
Difference between Expected and Actual Experience	(565,085)	(13,436,225)	16,926,209	(10,764,267)	(8,466,542)		*
Change of Assumptions	(19,803,242)	88,700	17,898,849	896,162	(7,653,109)	(10,554,292)	*
Net Change in Total OPEB Liability	<u>(16,085,477)</u>	<u>(8,080,115)</u>	<u>37,882,522</u>	<u>(6,586,420)</u>	<u>(12,106,457)</u>	<u>(6,373,568)</u>	*
Total Attributable OPEB Liability - Beginning	<u>89,906,838</u>	<u>97,986,953</u>	<u>60,104,431</u>	<u>66,690,851</u>	<u>78,797,308</u>	<u>85,170,876</u>	*
Total Attributable OPEB Liability - Ending	<u>\$ 73,821,361</u>	<u>89,906,838</u>	<u>97,986,953</u>	<u>60,104,431</u>	<u>66,690,851</u>	<u>78,797,308</u>	<u>85,170,876</u>
District's Covered Payroll	\$ 20,026,951	19,642,395	19,919,289	19,065,031	18,960,839	18,416,164	18,210,839
District's Contribution	None	None	None	None	None	None	None
District's Proportionate Share of OPEB Liability as a Percentage of its Covered-Employee Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of OPEB Liability as a Percentage of the District's Covered-Employee Payroll	368.61%	457.72%	491.92%	315.26%	351.73%	427.87%	467.69%

* - Information not available

Source: GASB 75 report on State of New Jersey Health Benefits Program; District Records.

Note: This schedule is required by GASB 75 to show information for a 10 year period. However, information is only currently available for seven years. Additional years will be presented as they become available.

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

Exhibit M-2

Change of Benefit Terms

Refer to Note 5 - Notes to Financial Statements.

Difference Between Expected and Actual Experience

The change in the liability from June 30, 2021 to June 30, 2022 is due to changes in the census, claims and premiums experience.

Changes of Assumptions

The Discount Rate changed from 2.16% as of June 30, 2021 to 3.54% as of June 30, 2022.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL LEVEL SCHEDULES – D

N/A

SPECIAL REVENUE FUND – E

ROSELLE PARK SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS

JUNE 30, 2023

	<u>Title I</u>	<u>Title I Carryover</u>	<u>Title IIA</u>	<u>Title IIA Carryover</u>	<u>Title III</u>	<u>Title III Carryover</u>	<u>Title III Immigrant</u>	<u>Title IV</u>
Revenues:								
Federal Sources	\$ 294,121	16,014	52,465	545	32,530	22,353	402	24,320
State Sources								
Local Sources								
Total Revenue	<u>294,121</u>	<u>16,014</u>	<u>52,465</u>	<u>545</u>	<u>32,530</u>	<u>22,353</u>	<u>402</u>	<u>24,320</u>
Expenditures:								
Instruction:								
Salaries of Teachers	182,057	4,477	11,667		21,000	17,423		
Other Salaries for Instruction								16,106
Purchased Professional Educational Services								
Other Purchased Services								
Instructional Supplies		11,044			7,858	3,930	402	
Total Instruction	<u>182,057</u>	<u>15,521</u>	<u>11,667</u>	<u>-</u>	<u>28,858</u>	<u>21,353</u>	<u>402</u>	<u>16,106</u>
Support Services:								
Salaries of Teachers			19,050	422	1,400	1,000		
Salaries of Other Professional Staff								
Personal Services - Employee Benefits	104,839	11	14,381		1,713			8,214
Purchased Professional and Technical Services	5,350		1,687					
Other Purchased Services	1,875	482	2,559					
Supplies and Materials			1,722	123				
Other Objects			1,399		559			
Scholarships Awarded								
Student Activities								
Total Support Services	<u>112,064</u>	<u>493</u>	<u>40,798</u>	<u>545</u>	<u>3,672</u>	<u>1,000</u>	<u>-</u>	<u>8,214</u>
Facilities Acquisition and Construction Services:								
Instructional Equipment								
Construction Services								
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>294,121</u>	<u>16,014</u>	<u>52,465</u>	<u>545</u>	<u>32,530</u>	<u>22,353</u>	<u>402</u>	<u>24,320</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1								
Fund Balance, June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

ROSELLE PARK SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS

JUNE 30, 2023

	IDEA Part B Basic	IDEA Part B Basic Carryover	IDEA Preschool	ARP IDEA Part B Basic	ARP IDEA Preschool	Title I SIA	Climate Change	CARES	CRRSA ESSER II
Revenues:									
Federal Sources	519,937	16,820	18,556	32,422	561	3,896		13	386,575
State Sources							6,660		
Local Sources									
Total Revenue	<u>519,937</u>	<u>16,820</u>	<u>18,556</u>	<u>32,422</u>	<u>561</u>	<u>3,896</u>	<u>6,660</u>	<u>13</u>	<u>386,575</u>
Expenditures:									
Instruction:									
Salaries of Teachers									4,752
Other Salaries for Instruction		13,945	17,523						
Purchased Professional Educational Services									7,425
Other Purchased Services	456,223								3,685
Instructional Supplies	38,041			14,990	561	3,896	6,660		257,780
Total Instruction	<u>494,264</u>	<u>13,945</u>	<u>17,523</u>	<u>14,990</u>	<u>561</u>	<u>3,896</u>	<u>6,660</u>	<u>-</u>	<u>273,642</u>
Support Services:									
Salaries of Teachers									41,507
Salaries of Other Professional Staff									
Personal Services - Employee Benefits			1,033						1,304
Purchased Professional and Technical Services	24,149	2,551		17,432					31,577
Other Purchased Services	1,524								
Supplies and Materials		324						13	38,545
Other Objects									
Scholarships Awarded									
Student Activities									
Total Support Services	<u>25,673</u>	<u>2,875</u>	<u>1,033</u>	<u>17,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>112,933</u>
Facilities Acquisition and Construction Services:									
Instructional Equipment									
Construction Services									
Total Facilities Acquisition and Construction Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>519,937</u>	<u>16,820</u>	<u>18,556</u>	<u>32,422</u>	<u>561</u>	<u>3,896</u>	<u>6,660</u>	<u>13</u>	<u>386,575</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

ROSELLE PARK SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES EXPENDITURES - BUDGETARY BASIS

JUNE 30, 2023

	CRRSA Accelerated Learning	CRRSA Mental Health	ARP ESSER	ARP Accel. Learning	ARP Summer	ARP Beyond School	ARP Mental Health	Preschool Expansion Aid	Safety Grant	Scholarship Fund	Student Activity	Totals 2023
Revenues:												
Federal Sources	19,270	4,337	2,276,454	98,067	686	40,000	44,000					3,904,344
State Sources								1,358,535				1,365,195
Local Sources									19,429	142	280,137	299,708
Total Revenue	19,270	4,337	2,276,454	98,067	686	40,000	44,000	1,358,535	19,429	142	280,137	5,569,247
Expenditures:												
Instruction:												
Salaries of Teachers	8,622		179,542	5,000		34,600		519,967				989,107
Other Salaries for Instruction								133,261				180,835
Purchased Professional Educational Services												7,425
Other Purchased Services	7,410		10,403					350				478,071
Instructional Supplies		3,573	147,697	1,100	686	2,753	11,251	24,808				537,030
Total Instruction	16,032	3,573	337,642	6,100	686	37,353	11,251	678,386	-	-	-	2,192,468
Support Services:												
Salaries of Teachers	932	642	35,304	7,104								107,361
Salaries of Other Professional Staff								351,769				351,769
Personal Services - Employee Benefits	2,306	122	163,988	764		2,647		312,262				613,584
Purchased Professional and Technical Services			107,884	48,203			32,749					271,582
Other Purchased Services								12,015				18,455
Supplies and Materials				23,000				4,103				67,830
Miscellaneous Expenses				12,896								14,854
Scholarships Awarded										850		850
Student Activities											264,864	264,864
Total Support Services	3,238	764	307,176	91,967	-	2,647	32,749	680,149	-	850	264,864	1,711,149
Facilities Acquisition and Construction Services:												
Instructional Equipment			2,150									2,150
Construction Services			1,629,486						19,429			1,648,915
Total Facilities Acquisition and Construction Services	-	-	1,631,636	-	-	-	-	-	19,429	-	-	1,651,065
Total Expenditures	19,270	4,337	2,276,454	98,067	686	40,000	44,000	1,358,535	19,429	850	264,864	5,554,682
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	(708)	15,273	14,565
Fund Balance, July 1										7,514	185,299	192,813
Fund Balance, June 30	-	-	-	-	-	-	-	-	-	6,806	200,572	207,378

ROSELLE PARK SCHOOL DISTRICT

Exhibit E-2

SPECIAL REVENUE FUNDPRESCHOOL EDUCATION AIDSCHEDULE OF EXPENDITURESBUDGETARY BASISFOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 529,328	519,967	9,361
Other Salaries for Instruction	133,261	133,261	-
Other Purchased Services	2,850	350	2,500
Instructional Supplies	148,317	24,808	123,509
Other Objects	1,000		1,000
Total Instruction	<u>814,756</u>	<u>678,386</u>	<u>136,370</u>
Support Services:			
Salaries of Principals	85,155	85,155	-
Salaries of Other Professional Staff	97,068	96,513	555
Salaries of Secretaries	14,183	14,183	-
Other Salaries	78,978	76,436	2,542
Salaries CPIS	36,295	36,295	-
Salaries of Master Teachers	76,262	43,187	33,075
Personal Services - Employee Benefits	312,262	312,262	-
Other Purchased Professional Educational Services	4,500		4,500
Other Purchased Professional Services	4,500		4,500
Repair and Maintenance Services	15,000	12,015	2,985
Transportation	4,000		4,000
Contracted Services	20,274		20,274
Supplies and Materials	5,000	4,103	897
Total Support Services	<u>753,477</u>	<u>680,149</u>	<u>73,328</u>
Facilities Acquisition and Construction Services:			
Instructional Equipment	10,000		10,000
Total Expenditures	<u>\$ 1,578,233</u>	<u>1,358,535</u>	<u>219,698</u>
<u>Calculation of Budget and Carryover</u>			
Total 2022-2023 Preschool Education Aid Allocation			\$ 1,374,975
Actual ECPA Carryover (June 30, 2023)			89,858
Add: Transfer from General Fund			113,400
Total Funds available for 2022-2023 Budget			<u>1,578,233</u>
Less: Budgeted 2022-2023 Preschool Education Aid			<u>1,578,233</u>
Available and Unbudgeted at June 30, 2023 Preschool Education Aid			106,003
Add: 2022-2023 Unexpended Preschool Education Aid			<u>219,968</u>
2022-2023 Actual Carryover Preschool Education Aid			<u>\$ 325,971</u>
2022-2023 Carryover Budgeted in 2023-2024 Preschool Education Aid			<u>\$ 106,003</u>

CAPITAL PROJECTS FUND – F

ROSELLE PARK SCHOOL DISTRICTCAPITAL PROJECTS FUND

Exhibit F-1

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGESIN FUND BALANCE - BUDGETARY BASISFOR THE YEAR ENDED JUNE 30, 2023Expenditures and Other Financing Uses

Construction Services	\$ 1,556,000
Total Expenditures	<u>1,556,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,556,000)
Fund Balance - Beginning	<u>2,007,049</u>
Fund Balance - Ending	<u>\$ 451,049</u>

ROSELLE PARK SCHOOL DISTRICT

Exhibit F-1a

CAPITAL PROJECTS FUND**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,****AND PROJECT STATUS - BUDGETARY BASIS****FIELD LIGHTS****FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<u>Revenues and Other Financing Sources</u>				
Transfer from Capital Reserve	\$ 1,300,000		1,300,000	1,300,000
Transfer from Capital Outlay	550,000		550,000	550,000
Transfer from Door Replacement	801		801	801
Transfer from Track Renovations	156,248		156,248	156,248
Total Revenues	<u>2,007,049</u>	<u>-</u>	<u>2,007,049</u>	<u>2,007,049</u>
<u>Expenditures and Other Financing Uses</u>				
Construction Services		1,556,000	1,556,000	2,007,049
Total Expenditures	<u>-</u>	<u>1,556,000</u>	<u>1,556,000</u>	<u>2,007,049</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 2,007,049</u>	<u>(1,556,000)</u>	<u>451,049</u>	<u>-</u>
<u>Additional Project Information</u>				
Project Number		N/A		
Grant Date		N/A		
Original Authorized Cost		2,007,049		
Additional Authorized Cost		-		
Revised Authorized Cost		2,007,049		
Percentage Completion		78%		
Original Target Completion Date		06/30/23		
Revised Target Completion Date		09/30/23		

PROPRIETARY FUNDS – G

ROSELLE PARK SCHOOL DISTRICT**COMBINING SCHEDULE OF NET POSITION**

Exhibit G-1

ENTERPRISE FUNDS**JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds		Totals
	Food Service	Summer Camp	
<u>Assets</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 279,008	890,931	1,169,939
Accounts Receivable:			
State	4,726		4,726
Federal	107,398		107,398
Other	13,344		13,344
Inventory	18,660		18,660
Total Current Assets	<u>423,136</u>	<u>890,931</u>	<u>1,314,067</u>
Noncurrent Assets			
Equipment	273,637		273,637
Accumulated Depreciation	(271,885)		(271,885)
Total Fixed Assets	<u>1,752</u>	<u>-</u>	<u>1,752</u>
Total Assets	<u>\$ 424,888</u>	<u>890,931</u>	<u>1,315,819</u>
<u>Liabilities</u>			
Current Liabilities:			
Accounts Payable	\$ 38,473	3,454	41,927
Total Current Liabilities	<u>\$ 38,473</u>	<u>3,454</u>	<u>41,927</u>
<u>Net Position</u>			
Investment in Capital Assets	\$ 1,752		1,752
Unrestricted	384,663	887,477	1,272,140
Total Net Position	<u>\$ 386,415</u>	<u>887,477</u>	<u>1,273,892</u>

ROSELLE PARK SCHOOL DISTRICT

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

Exhibit G-2

ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2023

	Business-Type Activities - Enterprise Funds							Totals	
	Food Service	Cable 34	Adult School	Staff Computers	Coke Fund	Extended Day Care	Preschool		Summer Camp
Operating Revenues:									
Daily Sales - Reimbursable	\$ 346,315								346,315
Daily Sales - Non -Reimbursable	150,529								150,529
Fees Charged			8,325					577,544	585,869
Total Operating Revenues	<u>496,844</u>	<u>-</u>	<u>8,325</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>577,544</u>	<u>1,082,713</u>
Operating Expenses:									
Salaries	554,069							398,708	952,777
Other Employee Benefits	91,908							32,501	124,409
Cost of Goods Sold - Reimbursable	395,875								395,875
Cost of Goods Sold - Non-Reimbursable	169,661								169,661
Contracted Services	152,283							34,662	186,945
Supplies and Materials	43,870							48,320	92,190
Depreciation	147								147
Management Fee	47,303								47,303
Miscellaneous	53,793	2,469		1,500	8,581	26,235	1,950	23,372	117,900
Operating Expenses	<u>1,508,909</u>	<u>2,469</u>	<u>-</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>537,563</u>	<u>2,087,207</u>
Operating Gain/(Loss)	(1,012,065)	(2,469)	8,325	(1,500)	(8,581)	(26,235)	(1,950)	39,981	(1,004,494)
Non-Operating Revenues:									
State Sources:									
State School Lunch Program	22,477								22,477
State Breakfast Program	1,066								1,066
Federal Sources:									
National School Lunch Program	471,872								471,872
HHFKA Program	15,583								15,583
Breakfast Program	45,031								45,031
Paycheck Protection Program	55,290								55,290
Supply Chain Program	111,442								111,442
Food Distribution Program	80,855								80,855
Total Non-Operating Revenues	<u>803,616</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>803,616</u>
Change in Net Position	(208,449)	(2,469)	8,325	(1,500)	(8,581)	(26,235)	(1,950)	39,981	(200,878)
Total Net Position - Beginning	<u>594,864</u>	<u>2,469</u>	<u>(8,325)</u>	<u>1,500</u>	<u>8,581</u>	<u>26,235</u>	<u>1,950</u>	<u>847,496</u>	<u>1,474,770</u>
Total Net Position - Ending	<u>\$ 386,415</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>887,477</u>	<u>1,273,892</u>

ROSELLE PARK SCHOOL DISTRICT
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

Exhibit G-3

	Business-Type Activities - Enterprise Funds								Totals
	Food Service	Cable 34	Adult School	Staff Computers	Coke Fund	Extended Day Care	Preschool	Summer Camp	
Cash Flows from Operating Activities:									
Receipts from Customers	\$ 496,844		8,325					577,544	1,082,713
Payments for Salaries	(554,069)							(398,708)	(952,777)
Payments to Suppliers	(899,418)	(2,469)		(1,500)	(8,581)	(26,235)	(1,950)	(136,865)	(1,077,018)
Net Provided (Used) by Operating Activities	<u>(956,643)</u>	<u>(2,469)</u>	<u>8,325</u>	<u>(1,500)</u>	<u>(8,581)</u>	<u>(26,235)</u>	<u>(1,950)</u>	<u>41,971</u>	<u>(947,082)</u>
Cash Flows from Noncapital Financing Activities:									
Federal & State Sources	722,761								722,761
Net Cash Provided by Noncapital Financing Activities	<u>722,761</u>							<u>-</u>	<u>722,761</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(233,882)	(2,469)	8,325	(1,500)	(8,581)	(26,235)	(1,950)	41,971	(224,321)
Balances - Beginning of Year	512,890	2,469	(8,325)	1,500	8,581	26,235	1,950	848,960	1,394,260
Balances - End of Year	<u>\$ 279,008</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>890,931</u>	<u>1,169,939</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:									
Operating Income (Loss)	\$ (1,012,065)	(2,469)	8,325	(1,500)	(8,581)	(26,235)	(1,950)	39,981	(1,004,494)
Adjustments to Reconcile Operating Income (Loss) to Cash Provided (Used) by Operating Activities									
Depreciation	147								147
Federal Commodities Consumed	80,855								80,855
Decrease/(Increase) in Inventory	482								482
(Decrease)/Increase in Accounts Payable	23,724								25,714
Decrease/(Increase) in Accounts Receivable	(49,786)							1,990	(49,786)
Net Provided (Used) by Operating Activities	<u>\$ (956,643)</u>	<u>(2,469)</u>	<u>8,325</u>	<u>(1,500)</u>	<u>(8,581)</u>	<u>(26,235)</u>	<u>(1,950)</u>	<u>41,971</u>	<u>(947,082)</u>

FIDUCIARY FUND – H

N/A

LONG-TERM DEBT – I

ROSELLE PARK SCHOOL DISTRICT

LONG-TERM DEBT

SCHEDULE OF SERIAL BONDS

JUNE 30, 2023

Exhibit I-1

	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Beginning Balance July 1, 2022</u>	<u>Retired</u>	<u>Ending Balance June 30, 2023</u>
			<u>Date</u>	<u>Amount</u>				
Refunding Issue	3/20/2012	\$ 5,955,000	2/15/2024	\$ 560,000	4.000%	\$ 1,685,000	560,000	1,125,000
			2/15/2025	565,000				
						<u>\$ 1,685,000</u>	<u>560,000</u>	<u>1,125,000</u>

ROSELLE PARK SCHOOL DISTRICT

LONG-TERM LIABILITIES

Exhibit I-2

SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

JUNE 30, 2023

<u>Purpose</u>	<u>Date of Issue</u>	<u>Amount Of Original Issue</u>	<u>Interest Rate</u>	<u>Balance July 1, 2022</u>	<u>Issued Current Year</u>	<u>Paid Current Year</u>	<u>Amount Outstanding June 30, 2023</u>
Equipment Lease	6/14/2019	\$ 800,000	2.46%	\$ 205,451		205,451	-
				<u>\$ 205,451</u>	<u>-</u>	<u>205,451</u>	<u>-</u>

ROSELLE PARK SCHOOL DISTRICT

DEBT SERVICE FUND

Exhibit I-3

BUDGETARY COMPARISON SCHEDULE

JUNE 30, 2023

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 627,400		627,400	627,400	-
Total Revenues	<u>627,400</u>	<u>-</u>	<u>627,400</u>	<u>627,400</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Redemption of Principal	560,000		560,000	560,000	-
Interest	67,400		67,400	67,400	-
Total Expenditures	<u>627,400</u>	<u>-</u>	<u>627,400</u>	<u>627,400</u>	<u>-</u>
Excess of Revenues over Expenditures	-	-	-	-	-
Fund Balance July 1					
Fund Balance June 30	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATISTICAL SECTION

(Unaudited)

**Borough of Roselle Park School District
Net Position by Component
Last Ten Fiscal Years**

Exhibit J-1

	<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>
Governmental Activities										
Invested in capital assets, net of related debt	\$ 36,242,402	\$ 36,744,847	\$ 38,156,767	\$ 37,302,177	\$ 37,599,274	\$ 37,927,609	\$ 38,442,027	\$ 41,392,233	\$ 41,994,755	\$ 42,097,172
Restricted	\$ 2,218,329	\$ 1,710,733	\$ 2,182,920	\$ 1,933,932	\$ 2,623,463	\$ 3,918,988	\$ 5,301,901	\$ 8,494,408	\$ 11,605,703	\$ 8,926,415
Unrestricted	\$ (1,520,374)	\$ (9,060,032)	\$ (10,827,838)	\$ (8,960,260)	\$ (10,402,180)	\$ (9,965,450)	\$ (10,108,084)	\$ (8,898,783)	\$ (7,508,380)	\$ (1,848,757)
Total governmental activities net position	\$ 36,940,357	\$ 29,395,548	\$ 29,511,849	\$ 30,275,849	\$ 29,820,557	\$ 31,881,147	\$ 33,635,844	\$ 40,987,858	\$ 46,092,078	\$ 49,174,830
Business-type activities										
Invested in capital assets, net of related debt	\$ 1,783	\$ 1,427	\$ 1,070	\$ 714	\$ 357	\$ -	\$ -	\$ 2,046	\$ 1,899	\$ 1,752
Restricted										
Unrestricted	\$ 141,982	\$ 210,913	\$ 355,357	\$ 541,488	\$ 754,872	\$ 847,242	\$ 640,585	\$ 1,100,758	\$ 1,472,871	\$ 1,272,140
Total business-type activities net position	\$ 143,745	\$ 212,340	\$ 356,427	\$ 542,202	\$ 755,229	\$ 847,242	\$ 640,585	\$ 1,102,804	\$ 1,474,770	\$ 1,273,892
District-wide										
Invested in capital assets, net of related debt	\$ 36,244,185	\$ 36,746,274	\$ 38,157,837	\$ 37,302,891	\$ 37,599,631	\$ 37,927,609	\$ 38,442,027	\$ 41,394,279	\$ 41,996,654	\$ 42,098,924
Restricted	\$ 2,218,329	\$ 1,710,733	\$ 2,182,920	\$ 1,933,932	\$ 2,623,463	\$ 3,918,988	\$ 5,301,901	\$ 8,494,408	\$ 11,605,703	\$ 8,926,415
Unrestricted	\$ (1,378,412)	\$ (8,849,119)	\$ (10,472,481)	\$ (8,418,772)	\$ (9,647,308)	\$ (9,118,208)	\$ (9,467,499)	\$ (7,798,025)	\$ (6,035,509)	\$ (573,113)
Total district net position	\$ 37,084,102	\$ 29,607,888	\$ 29,868,276	\$ 30,818,051	\$ 30,575,786	\$ 32,728,389	\$ 34,276,429	\$ 42,090,662	\$ 47,566,848	\$ 50,452,226

**Borough of Roselle Park School District
Changes in Activities, Last Ten Fiscal Years**

Exhibit J-2
Sheet 1 of 2

	Fiscal Year Ending June 30,									
	<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>
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 9,010,447	\$ 9,615,148	\$ 10,203,568	\$ 10,265,057	\$ 10,857,554	\$ 10,300,928	\$ 11,629,050	\$ 10,277,539	\$ 9,970,897	\$ 10,696,263
Special Education	\$ 3,068,534	\$ 2,212,047	\$ 3,146,352	\$ 2,407,622	\$ 3,103,179	\$ 3,438,364	\$ 3,463,107	\$ 4,566,266	\$ 4,574,457	\$ 5,214,132
Other special education	\$ 896,697	\$ 1,726,901	\$ 892,872	\$ 1,604,743	\$ 844,534	\$ 849,147	\$ 932,581	\$ 1,631,995	\$ 1,842,501	\$ 2,039,543
Other instruction	\$ 899,310	\$ 900,810	\$ 930,205	\$ 1,010,212	\$ 1,006,267	\$ 1,081,092	\$ 1,092,955	\$ -	\$ -	\$ -
Support Services:										
Tuition	\$ 1,466,080	\$ 1,494,344	\$ 1,496,054	\$ 1,688,356	\$ 1,688,553	\$ 1,865,979	\$ 1,781,888	\$ 1,466,501	\$ 1,502,747	\$ 1,725,533
Student & instruction related services	\$ 3,464,665	\$ 3,555,438	\$ 3,613,193	\$ 3,725,000	\$ 3,889,398	\$ 3,994,649	\$ 4,472,279	\$ 4,858,696	\$ 5,329,960	\$ 5,734,774
School administrative services	\$ 578,053	\$ 602,195	\$ 657,075	\$ 1,324,308	\$ 1,363,766	\$ 1,312,664	\$ 1,933,542	\$ 1,229,350	\$ 1,252,558	\$ 1,268,140
General & business administrative services	\$ 1,738,066	\$ 1,758,214	\$ 1,792,736	\$ 1,181,224	\$ 1,164,704	\$ 1,138,850	\$ 563,333	\$ 1,339,964	\$ 1,410,013	\$ 1,482,854
Plant operations and maintenance	\$ 2,535,398	\$ 2,650,796	\$ 2,846,302	\$ 2,866,329	\$ 2,952,007	\$ 2,784,577	\$ 3,057,253	\$ 1,825,727	\$ 3,159,338	\$ 3,744,189
Pupil transportation	\$ 378,044	\$ 480,418	\$ 465,699	\$ 467,281	\$ 502,134	\$ 439,710	\$ 433,867	\$ 334,144	\$ 663,659	\$ 725,601
Employee Benefits	\$ 8,411,378	\$ 9,812,810	\$ 10,095,232	\$ 10,421,694	\$ 11,531,414	\$ 11,220,581	\$ 11,735,358	\$ 12,999,969	\$ 14,446,320	\$ 15,869,406
Interest on long-term debt	\$ 222,769	\$ 215,354	\$ 200,807	\$ 200,988	\$ 156,379	\$ 151,011	\$ 122,283	\$ 70,070	\$ 79,212	\$ 59,000
Education Jobs \ capital outlay \ charter schools			\$ 304,285	\$ 9,273	\$ 683,091	\$ 854,372	\$ 75,085	\$ 10,032	\$ 2,074,677	\$ 3,054,533
Unallocated depreciation	\$ 222,822	\$ 213,294	\$ 211,732	\$ 189,047	\$ 225,588	\$ 227,910	\$ 264,334	\$ 409,923	\$ 457,583	\$ 457,583
Total governmental activities expenses	\$ 32,892,263	\$ 35,237,769	\$ 36,856,112	\$ 37,361,134	\$ 39,968,568	\$ 39,659,834	\$ 41,556,915	\$ 41,020,176	\$ 46,763,922	\$ 52,071,551
Business-type activities										
Food Service	\$ -	\$ -	\$ 805,393	\$ 895,587	\$ 890,229	\$ 882,028	\$ 727,290	\$ 2,403	\$ 1,236,970	\$ 1,508,909
Summer Camp	\$ 999,738	\$ 1,172,687	\$ 463,753	\$ 428,085	\$ 407,279	\$ 593,152	\$ 524,480	\$ 215,516	\$ 365,622	\$ 537,563
Total business-type activities expense	\$ 999,738	\$ 1,172,687	\$ 1,269,146	\$ 1,323,672	\$ 1,297,508	\$ 1,475,180	\$ 1,251,770	\$ 217,919	\$ 1,802,592	\$ 2,046,472
Total district expenses	\$ 33,892,001	\$ 36,410,456	\$ 38,125,258	\$ 38,684,806	\$ 41,266,076	\$ 41,135,014	\$ 42,808,685	\$ 41,238,095	\$ 48,366,514	\$ 54,118,023
Program Revenues										
Governmental activities:										
Charges for services:	\$ 346,727	\$ 283,561	\$ 336,953	\$ 297,700	\$ 232,403	\$ 215,993	\$ 234,742	\$ -	\$ 16,774	\$ 22,755
Operating grants and contributions	\$ 926,877	\$ 941,842	\$ 966,595	\$ 935,166	\$ 845,044	\$ 1,320,983	\$ 1,852,764	\$ 2,932,287	\$ 3,446,256	\$ 4,067,965
Capital grants and contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total governmental activities program revenues	\$ 1,273,604	\$ 1,225,403	\$ 1,303,548	\$ 1,232,866	\$ 1,077,447	\$ 1,536,976	\$ 2,087,506	\$ 2,932,287	\$ 3,463,030	\$ 4,090,720

**Borough of Roselle Park School District
Changes in Activities, Last Ten Fiscal Years**

Exhibit J-2
Sheet 2 of 2

	Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Program Revenues - Continued										
Business-type activities										
Charges for services										
Food Service	\$ 789,817	\$ 851,034	\$ 408,989	\$ 446,757	\$ 490,966	\$ 493,581	\$ 321,434	\$ 2,403	\$ 54,104	\$ 496,844
Summer Camp	\$ -	\$ -	\$ -	\$ 601,638	\$ 577,350	\$ 628,819	\$ 312,288	\$ 215,516	\$ 482,333	\$ 577,544
Operating grants and contributions	\$ 321,162	\$ 390,248	\$ 568,356	\$ 461,052	\$ 442,219	\$ 444,793	\$ 411,391	\$ -	\$ -	\$ 803,646
Total business type activities program revenues	\$ 1,090,979	\$ 1,241,282	\$ 977,345	\$ 1,509,447	\$ 1,510,535	\$ 1,567,193	\$ 1,045,113	\$ 217,919	\$ 536,437	\$ 1,878,034
Total district program revenues	\$ 2,384,583	\$ 2,466,685	\$ 2,280,893	\$ 2,742,313	\$ 2,587,982	\$ 3,104,169	\$ 3,132,619	\$ 3,150,206	\$ 3,999,467	\$ 5,968,754
Net(Expense)/Revenue										
Governmental activities	\$ (31,618,659)	\$ (34,012,366)	\$ (35,552,564)	\$ (36,128,268)	\$ (38,891,121)	\$ (38,122,858)	\$ (39,469,409)	\$ (38,087,889)	\$ (43,300,892)	\$ (47,980,831)
Business-type activities	\$ 91,241	\$ 68,595	\$ 144,087	\$ 185,775	\$ 213,027	\$ 92,013	\$ (206,657)	\$ 460,027	\$ 371,966	\$ (91,831)
Total district-wide net expense	\$ (31,527,418)	\$ (33,943,771)	\$ (35,408,477)	\$ (35,942,493)	\$ (38,678,094)	\$ (38,030,845)	\$ (39,676,066)	\$ (37,627,862)	\$ (42,928,926)	\$ (48,072,662)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 17,885,273	\$ 19,183,851	\$ 20,454,668	\$ 21,055,914	\$ 21,537,847	\$ 21,754,978	\$ 21,754,978	\$ 22,190,078	\$ 22,356,504	\$ 22,580,069
Taxes levied for debt service	\$ 684,513	\$ 652,036	\$ 688,100	\$ 703,550	\$ 703,100	\$ 691,900	\$ 675,300	\$ 663,500	\$ 646,300	\$ 627,400
Unrestricted grants and contributions	\$ 13,385,247	\$ 13,882,321	\$ 14,425,901	\$ 15,199,326	\$ 16,230,573	\$ 17,534,978	\$ 18,646,934	\$ 20,358,310	\$ 24,649,534	\$ 26,967,871
Tuition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous income	\$ 92,931	\$ 104,039	\$ 100,196	\$ 100,426	\$ 82,056	\$ 93,068	\$ 146,894	\$ 540,766	\$ 752,774	\$ 888,243
Transfers	\$ 2,147	\$ -	\$ -	\$ 68,150	\$ (117,747)	\$ 108,524	\$ -	\$ -	\$ -	\$ -
Total governmental activities	\$ 32,050,111	\$ 33,822,247	\$ 35,668,865	\$ 37,127,366	\$ 38,435,829	\$ 40,183,448	\$ 41,224,106	\$ 43,752,654	\$ 48,405,112	\$ 51,063,583
Business-type activities:										
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total business-type activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total district-wide	\$ 32,050,111	\$ 33,822,247	\$ 35,668,865	\$ 37,127,366	\$ 38,435,829	\$ 40,183,448	\$ 41,224,106	\$ 43,752,654	\$ 48,405,112	\$ 51,063,583
Change in Net Position										
Governmental activities	\$ 401,452	\$ (190,119)	\$ 116,301	\$ 862,798	\$ (455,292)	\$ 2,060,590	\$ 1,754,697	\$ 5,664,765	\$ 5,104,220	\$ 3,082,752
Business-type activities	\$ 91,241	\$ 68,595	\$ 144,087	\$ 185,775	\$ 213,027	\$ 92,013	\$ (206,657)	\$ 460,027	\$ 371,966	\$ (91,831)
Total district	\$ 492,693	\$ (121,524)	\$ 260,388	\$ 1,048,573	\$ (242,265)	\$ 2,152,603	\$ 1,548,040	\$ 6,124,792	\$ 5,476,186	\$ 2,990,921

Borough of Roselle Park School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years

Exhibit J-3

	For the Fiscal Year Ending June 30,									
	<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>
General Fund										
Reserved	\$ 2,183,165	\$ 1,710,733	\$ 2,182,920	\$ 3,047,952	\$ 2,623,463	\$ 3,966,620	\$ 5,301,901	\$ 7,291,907	\$ 9,405,841	\$ 8,264,988
Unreserved	\$ (408,196)	\$ (322,640)	\$ (359,147)	\$ (289,370)	\$ (399,824)	\$ (302,889)	\$ (358,965)	\$ 418,884	\$ 667,029	\$ 5,369,378
Total General Fund	\$ 1,774,969	\$ 1,388,093	\$ 1,823,773	\$ 2,758,582	\$ 2,223,639	\$ 3,663,731	\$ 4,942,936	\$ 7,710,791	\$ 10,072,870	\$ 13,634,366
All Other Governmental Funds										
Reserved										
Unreserved, reported in:										
Special Revenue Fund						\$ (47,632)	\$ (94,206)	\$ 96,759	\$ 61,436	\$ 70,983
Capital Projects Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 991,808	\$ 2,007,049	\$ 451,049
Debt Service Fund	\$ 35,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permanent Fund										
Designated for Subsequent Year Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total all other Governmental Funds	\$ 35,164	\$ -	\$ -	\$ -	\$ -	\$ (47,632)	\$ (94,206)	\$ 1,088,567	\$ 2,068,485	\$ 522,032

Borough of Roselle Park School District
 Changes in Fund Balances, Governmental Funds,
 Last Ten Fiscal Years

Exhibit J-4

	For the Fiscal Year Ending June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Local Sources	\$ 18,988,759	\$ 20,227,591	\$ 21,588,010	\$ 22,157,590	\$ 22,564,366	\$ 22,770,945	\$ 22,831,459	\$ 23,406,271	\$ 23,948,219	\$ 24,118,467
State Sources	\$ 13,328,689	\$ 13,798,706	\$ 14,352,725	\$ 15,148,303	\$ 16,153,428	\$ 17,851,876	\$ 19,532,131	\$ 21,602,047	\$ 25,953,496	\$ 28,538,600
Federal Sources	\$ 974,120	\$ 1,021,353	\$ 1,031,678	\$ 986,189	\$ 913,229	\$ 989,079	\$ 948,022	\$ 1,676,623	\$ 1,966,427	\$ 2,497,236
Total Revenue	\$ 33,291,568	\$ 35,047,650	\$ 36,972,413	\$ 38,292,082	\$ 39,631,023	\$ 41,611,900	\$ 43,311,612	\$ 46,684,941	\$ 51,868,142	\$ 55,154,303
Expenditures										
Instruction	\$ 13,856,645	\$ 14,454,906	\$ 15,068,839	\$ 15,287,634	\$ 15,768,751	\$ 15,918,126	\$ 16,953,539	\$ 16,461,460	\$ 16,387,855	\$ 17,930,280
Support Services	\$ 18,571,784	\$ 20,238,296	\$ 20,693,512	\$ 21,124,460	\$ 22,900,592	\$ 22,857,119	\$ 24,141,125	\$ 25,228,385	\$ 28,917,208	\$ 31,527,047
Capital Outlay	\$ 90,488	\$ 89,288	\$ 77,009	\$ 74,681	\$ 666,503	\$ 860,819	\$ 298,444	\$ 632,246	\$ 2,562,491	\$ 3,052,638
Education Jobs \ charter schools			\$ 9,273	\$ -	\$ 9,273		\$ 10,393	\$ 10,032	\$ 12,291	\$ 1,895
Debt service:										
Principal	\$ 452,245	\$ 470,000	\$ 485,000	\$ 515,000	\$ 530,000	\$ 540,000	\$ 545,000	\$ 555,000	\$ 560,000	\$ 560,000
Interest and other charges	\$ 232,818	\$ 217,200	\$ 203,100	\$ 188,550	\$ 173,100	\$ 151,900	\$ 130,300	\$ 108,500	\$ 86,300	\$ 67,400
Total expenditures	\$ 33,203,980	\$ 35,469,690	\$ 36,536,733	\$ 37,190,325	\$ 40,048,219	\$ 40,327,964	\$ 42,078,801	\$ 42,995,623	\$ 48,526,145	\$ 53,139,260
Excess Deficiency) of revenues over(under) expenditures	\$ 87,588	\$ (422,040)	\$ 435,680	\$ 1,101,757	\$ (417,196)	\$ 1,283,936	\$ 1,232,811	\$ 3,689,318	\$ 3,341,997	\$ 2,015,043
Other Financing sources (uses)										
Transfers in	\$ 2,147	\$ -	\$ -	\$ -	\$ -	\$ 163,281	\$ -	\$ -	\$ -	\$ -
Transfers out	\$ -	\$ -	\$ -	\$ (68,150)	\$ (117,747)	\$ (54,757)	\$ -	\$ -	\$ -	\$ -
Total other financing sources (uses)	\$ 2,147	\$ -	\$ -	\$ (68,150)	\$ (117,747)	\$ 108,524	\$ -	\$ -	\$ -	\$ -
Net changes in fund balances	\$ 89,735	\$ (422,040)	\$ 435,680	\$ 1,033,607	\$ (534,943)	\$ 1,392,460	\$ 1,232,811	\$ 3,689,318	\$ 3,341,997	\$ 2,015,043

**Borough of Roselle Park School District
General Fund-Other Local Revenue by Source**

Exhibit J-5

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Rentals-Use</u> <u>Of Facilities</u>	<u>Prior Year</u> <u>Refunds</u>	<u>Transportation</u> <u>Fees</u>	<u>Other</u>	<u>Total</u>
2014	\$ 4,480	\$ 346,727				\$ 88,451	\$ 439,658
2015	\$ -	\$ 283,561				\$ 108,143	\$ 391,704
2016	\$ -	\$ 336,953				\$ 100,196	\$ 437,149
2017	\$ -	\$ 297,700				\$ 100,426	\$ 398,126
2018	\$ -	\$ 232,403				\$ 82,056	\$ 314,459
2019	\$ -	\$ 215,993	\$ 72,000			\$ 36,074	\$ 324,067
2020	\$ -	\$ 234,742	\$ 72,000			\$ 74,894	\$ 381,636
2021	\$ 3,894	\$ 11,927	\$ -		\$ 35,000	\$ 159,599	\$ 210,420
2022	\$ 721	\$ 16,774	\$ -		\$ 25,200	\$ 726,853	\$ 769,548
2023	\$ 269,998	\$ 22,755	\$ -	\$ 33,936	\$ -	\$ 384,591	\$ 711,280

Borough of Roselle Park School District
Assessed Value and Actual Value of Taxable Property

Exhibit J-6

<u>Year Ended</u> <u>December 31,</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Public Utilities</u>	<u>Net Valuation</u> <u>Taxable</u>	<u>Estimated</u> <u>Actual</u>
2014	\$ 291,700	\$ 232,264,660	\$ 25,143,400	\$ 4,870,500	\$ 21,077,700	\$ 181,168	\$ 283,829,128	\$ 1,032,105,920
2015	\$ 291,700	\$ 231,921,710	\$ 25,075,300	\$ 4,872,000	\$ 21,077,700	\$ 188,400	\$ 283,426,810	\$ 1,030,642,945
2016*	\$ 1,242,200	\$ 837,525,900	\$ 90,718,800	\$ 19,767,500	\$ 104,252,300	\$ 670,901	\$ 1,054,177,601	\$ 1,101,418,400
2017	\$ 1,242,200	\$ 836,003,400	\$ 88,880,700	\$ 19,772,500	\$ 104,252,300	\$ 652,679	\$ 1,050,803,779	\$ 1,097,910,193
2018	\$ 1,240,200	\$ 835,145,700	\$ 91,475,600	\$ 18,964,300	\$ 104,298,700	\$ 651,557	\$ 1,051,778,057	\$ 1,106,798,463
2019	\$ 1,242,200	\$ 835,075,700	\$ 92,213,500	\$ 17,951,300	\$ 104,075,300	\$ 622,050	\$ 1,051,180,050	\$ 1,184,127,592
2020	\$ 1,242,200	\$ 836,473,100	\$ 91,107,800	\$ 17,777,400	\$ 103,488,100	\$ 603,480	\$ 1,050,692,080	\$ 1,239,042,596
2021	\$ 9,411,200	\$ 838,471,000	\$ 89,359,400	\$ 17,622,400	\$ 103,720,900	\$ 605,607	\$ 1,059,190,507	\$ 1,249,057,729
2022	\$ 3,794,600	\$ 837,823,400	\$ 87,356,700	\$ 15,225,700	\$ 117,124,400	\$ 560,206	\$ 1,061,885,006	\$ 1,403,126,388
2023	\$ 6,366,900	\$ 835,950,700	\$ 88,968,700	\$ 13,361,000	\$ 107,262,700	\$ 488,292	\$ 1,052,396,292	\$ 1,595,492,189

* Note: In 2016 the borough of Roselle Park did a reassessment of all properties

Borough of Roselle Park School District
Direct and Overlapping Property Tax Rates

Exhibit J-7

Year Ended <u>December 31.</u>	<u>Roselle Park School District Direct Rate</u>		<u>Overlapping Rates</u>		Total Direct and Overlapping <u>Tax Rate</u>	
	<u>Basic Rate</u>	General Obligation <u>Debt Service</u>	Total <u>Direct</u>	Borough of <u>Roselle Park</u>		<u>Union County</u>
2014			6.755	4.273	1.879	12.907
2015			7.210	4.427	1.950	13.587
2016			2.034	1.227	0.550	3.811
2017			2.093	1.276	0.565	3.934
2018			2.124	1.296	0.559	3.979
2019			2.135	1.312	0.587	4.034
2020			2.155	1.337	0.594	4.086
2021			2.165	1.386	0.583	4.114
2022			2.176	1.370	0.597	4.143
2023			2.226	1.468	0.618	4.312

Borough of Roselle Park School District
Principal Property Tax Payers

Exhibit J-8

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2023</u>		<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
		<u>Taxable Assessed Value</u>	<u>2023</u>		
Woodside Gardens Assoc.	Apartments	\$	25,341,500.00	1	2.41
Sunrise Village	Apartments	\$	19,262,100.00	2	1.93
Grande Associates, LLC	Apartments	\$	8,700,000.00	3	1.11
450 West Westfield Realty LLC	Industrial Building	\$	3,668,900.00	4	0.41
Joseph Centanni	Apartments	\$	3,857,800.00	6	0.36
Westfield Realty Holdings, LLC	Restaurant	\$	3,488,600.00	7	0.33
Paradise Management	Apartments	\$	3,105,800.00	8	0.30
Parkway Ford Realty	Rental Building	\$	4,859,900.00	9	0.29
415 Westfield Associates, LLC	Apartments	\$	2,856,000.00	10	0.28
Jakimowicz Partners, LP and Raymond R.	Apartments	\$	2,376,800.00	11	0.27
Ashford Property c/o Boyle Property Management	Office Buildings	\$	2,856,000.00	12	0.27
Chestnut RP,LLC		\$	3,922,900.00	5	0.37

Exhibit J-9

**BOROUGH OF ROSELLE PARK SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
UNAUDITED**

Collected within the Year of the Levy

Year Ended <u>Dec. 31</u>	Taxes Levied for <u>the Year</u>	<u>Amount</u>	<u>Percentage of Levy</u>	Collections in Sub <u>Years</u>
2013	\$ 35,291,892	34,622,625	96.06%	0
2014	3,662,116	36,008,661	97.78%	0
2015	38,536,330	37,839,386	98.19%	0
2016	40,187,999	39,447,876	98.16%	0
2017	41,486,671	40,791,826	98.33%	0
2018	41,869,930	41,248,227	98.52%	0
2019	42,446,272	41,850,188	98.60%	0
2020	43,000,107	42,552,493	98.96%	0
2021	43,593,823	42,931,628	98.48%	0
2022	44,086,322	43,297,142	98.21%	0

Note: Dollar amounts are rounded to the nearest whole dollar.

Source - Roselle Park Tax Collector

Borough of Roselle Park School District
Ratios of Outstanding Debt by Type

Exhibit J-10

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Certificates</u> <u>of</u> <u>Participation</u>	<u>Capital</u> <u>Leases</u>	<u>Bond</u> <u>Anticipation</u> <u>Notes</u>	<u>Total</u> <u>Direct</u>	<u>Percentage of</u> <u>Personal</u> <u>Income</u>	<u>Per</u> <u>Capita</u>
2014	\$5,885,000		\$850,000				
2015	\$5,415,000		\$888,099				
2016	\$4,930,000		\$755,230				
2017	\$4,415,000		\$677,780				
2018	\$3,885,000		\$888,532				
2019	\$3,345,000		\$695,123				
2020	\$2,800,000		\$787,592				
2021	\$2,245,000		\$210,499				
2022	\$1,685,000		\$0				
2023	\$1,125,000		\$0				

*from debt service homeroom

Borough of Roselle Park School District
Ratios of Net General Bonded Debt Outstanding

Exhibit J-11

General Bonded Debt Outstanding

<u>Fiscal Year Ended June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>	<u>Percentage Actual Taxable Value of Property</u>	<u>Per Capita</u>
2014	\$ 5,885,000.00		\$ 5,885,000.00		
2015	\$ 5,415,000.00		\$ 5,415,000.00		
2016	\$ 4,930,000.00		\$ 4,930,000.00		
2017	\$ 4,415,000.00		\$ 4,415,000.00		
2018	\$ 3,885,000.00		\$ 3,885,000.00		
2019	\$ 3,345,000.00		\$ 3,345,000.00		
2020	\$ 2,800,000.00		\$ 2,800,000.00		
2021	\$ 2,245,000.00		\$ 2,245,000.00		
2022	\$ 1,685,000.00		\$ 1,685,000.00		
2023	\$ 1,125,000.00		\$ 1,125,000.00		

**BOROUGH OF ROSLLE PARK SCHOOL DISTRICT
 COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
 FOR THE YEAR ENDED DECEMBER 31, 2022
UNAUDITED**

Net Direct Debt of School District as of December 31, 2022	\$	1,685,000
Net Overlapping Debt of School District:		
Seaside Park Borough	Borough Debt	18,552,095
		18,552,095
Total Direct and Overlapping Bonded Debt		
As of December 31, 2022	\$	20,237,095

Source: Roselle Park

**BOROUGH OF ROSELLE PARK SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

Year Ended December 31st

Legal Debt Margin for Year 2022	
Equalized valuation basis	
2020	\$ 1,252,192,464
2021	1,399,504,098
2022	<u>1,609,775,216</u>
	<u>4,261,471,778</u>
Average equalized valuation of taxable property	1,420,490,593
Debt limit (4% of average equalization value)	56,819,624
Total Net Debt Applicable to Limit	<u>1,685,000</u>
Legal debt margin	<u>55,134,624</u>

Source: Annual Report of the State of NJ

Exhibit J-14

**BOROUGH OF ROSELLE PARK SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

<u>Year Ended December 31</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2013	13,525	\$ 735,516,550.00	54,382	10.3%
2014	13,595	\$ 779,075,070.00	57,306	6.8%
2015	13,670	\$ 821,416,630.00	60,089	5.8%
2016	13,774	\$ 832,032,244.00	60,406	5.1%
2017	13,821	\$ 854,248,368.00	61,808	4.7%
2018	13,650	\$ 879,237,450.00	64,413	4.1%
2019	13,588	\$ 927,544,056.00	68,262	3.8%
2020	13,510	\$ 957,386,150.00	70,865	10.7%
2021	13,574	\$ 984,698,682.00	72,543	8.0%
2022	13,819	\$ 1,003,480,504.00	72,616	4.1%

Source : State of New Jersey

Exhibit J-15

**BOROUGH OF ROSELLE PARK SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED**

2014

DATA NOT AVAILABLE

2023

DATA NOT AVAILABLE

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

Function/Program	<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	143	145	145	145	145	142	150	141	137	137
Spec Ed	38	37	35	38	42	41	42	51	50	50
Other Spec Ed	57	49	48	50	52	49	41	42	42	42
Vocational										
Other Instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services										
Student & Instruction related services	34	30	31	30	30	30	30	38	39	39
School administrative services	11	11	13	13	13	13	13	13	13	13
General & Business Admin. Services	1	1	1	1	1	1	2	2	2	2
Plant Operation & Maintenance	22	23	24	24	24	24	24	24	22	22
Pupil transportation	1	1	-	-	-	-	-	1	-	-
Other support services	17	20	21	23	23	23	22	22	20	20
Total	324	317	318	324	330	323	324	334	325	325

Source: District Personnel Records

Borough of Roselle Park School District
 Operating Statistics
 Last Ten Fiscal Years

Exhibit J-17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Elementary</u>	<u>Middle School</u>	<u>High School</u>	<u>Avg. Daily Enrollment</u>	<u>Avg. Daily Attendance</u>	<u>% Change ADE</u>	<u>Student Attendance %</u>
2011	2,000	\$ 27,583,542.00	\$ 13,145.00		209	1:19	1:22	1:20	1981	1887		95.2%
2012	2,005	\$ 28,474,200.00	\$ 13,592.00		214	1:20	1:21	1:19	1981	1891		95.4%
2013	1,970	\$ 28,809,678.00	\$ 14,740.00		215	1:20	1:21	1:19	1852	1756		94.8%
2014	1,958	\$ 28,926,316.00	\$ 14,579.00		215	1:20	1:21	1:18	1851	1764		95.3%
2015	2,009	\$ 30,773,491.00	\$ 14,492.00		215	1:21	1:22	1:19	1982	1889		95.3%
2016	2,037	\$ 31,336,369.00	\$ 14,509.00		220	1:21	1:22	1:20	2019	1932		95.7%
2017	2,059	\$ 31,263,331.00	\$ 15,009.00		223	1:20	1:21	1:20	2032	1940		95.50%
2018	2,081	\$ 33,594,014.00	\$ 15,256.00		227	1:22	1:22	1:21	2054	1961		95.50%
2019	2,067	\$ 32,627,556.26	\$ 16,013.00		183	1:22	1:22	1:21	2032	1938		95.36%
2020	2,097	\$ 33,553,648.00	\$ 15,924.00		192	1:22	1:22	1:21	2068	1977		95.60%
2021	2,023	\$ 32,773,339.00	\$ 16,096.00		186	1:22	1:22	1:21	2018	1911		94.73%
2022	2,088	\$ 34,936,869.00	\$ 16,732.22		187	1:22	1:22	1:21	1994	1847		92.56%
2023	2068	\$ 34,936,869.00	\$ 16,894.04		192	1:22	1:22	1:21	2033	1897		93.31%

Borough of Roselle Park School District
 School Building Information

Exhibit J-18

<u>District Building</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>
Aldene										
Square Feet Capacity	32801	32801	32801	32801	32801	32801	32801	32801	32801	32801
Enrollment	300	327	320	329	308	288	277	255	255	255
Robert Gordon										
Square Feet Capacity	34342	34342	34342	34342	34342	34342	34342	34342	34342	34342
Enrollment	260	273	273	278	277	290	298	301	301	301
Sherman										
Square Feet Capacity	33560	33560	33560	33560	33560	33560	33560	33560	33560	33560
Enrollment	312	331	348	357	386	357	374	347	347	347
Middle School										
Square Feet Capacity	64420	64420	64420	64420	64420	64420	64420	64420	64420	64420
Enrollment	490	473	471	466	503	529	517	513	513	513
High School										
Square Feet Capacity	119968	119968	119968	119968	119968	119968	119968	119968	119968	119968
Enrollment	596	605	625	629	607	603	631	598	598	598
Board Office										
Square Feet	3124	3124	3124	3124	3124	3124	3124	3124	3124	3124

Number of Schools as of June 30, 2023

Elementary = 3

Middle School = 1

High School = 1

Borough of Roselle Park School District
 Schedule of Required Maintenance

Exhibit J-19

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Aldene</u>	<u>Robert Gordon</u>	<u>Sherman</u>	<u>Middle School</u>	<u>High School</u>	<u>Cental Office</u>	<u>Total</u>
2014	\$ 108,984.00	\$ 96,005.00	\$ 65,900.00	\$ 238,573.00	\$ 252,904.00	\$ 9,055.00	\$ 771,421.00
2015	\$ 97,294.00	\$ 67,797.00	\$ 75,967.00	\$ 154,339.00	\$ 213,492.00	\$ 8,821.00	\$ 617,710.00
2016	\$ 131,030.00	\$ 92,218.00	\$ 69,079.00	\$ 169,488.00	\$ 327,732.00	\$ 6,453.00	\$ 796,000.00
2017	\$ 111,849.00	\$ 102,482.00	\$ 59,569.00	\$ 188,107.00	\$ 298,795.00	\$ 7,554.00	\$ 768,356.00
2018	\$ 95,355.00	\$ 129,544.00	\$ 158,838.00	\$ 181,234.00	\$ 325,915.00	\$ 9,030.00	\$ 899,916.00
2019	\$ 114,961.00	\$ 95,298.00	\$ 197,742.00	\$ 325,509.00	\$ 537,141.00	\$ 21,069.00	\$ 1,291,720.00
2020	\$ 116,452.00	\$ 80,989.00	\$ 250,068.00	\$ 267,191.00	\$ 452,655.00	\$ 22,153.00	\$ 1,189,508.00
2021	\$ 122,021.00	\$ 124,718.00	\$ 118,689.00	\$ 266,733.00	\$ 441,846.00	\$ 26,491.00	\$ 1,100,498.00
2022	\$ 173,601.81	\$ 98,676.09	\$ 113,391.51	\$ 419,027.89	\$ 355,330.16	\$ 79,598.30	\$ 1,239,625.76
2023	\$ 116,196.00	\$ 58,350.00	\$ 129,967.00	\$ 901,470.00	\$ 531,515.00	\$ 153,910.00	\$ 1,891,408.00

Borough of Roselle Park School District Insurance Schedule

Exhibit J-20

<u>School Package Policy</u>		<u>Coverage</u>	<u>Deductible</u>
Property		\$ 500,000,000.00	\$ 5,000.00
Comprehensive General Liability		\$ 16,000,000.00	n/a
Automobile Liability		\$ 16,000,000.00	n/a
Premises Medical Payments		\$5,000/10,000	n/a
Crime Coverage		\$ 5,000.00	\$ 500.00
Public Employee Dishonesty		\$ 25,000.00	\$ 1,000.00
Forgery & Alteration		\$ 25,000.00	\$ 500.00
Extra Expense		\$ 50,000,000.00	\$ 5,000.00
Valuable Papers		\$ 10,000,000.00	\$ 5,000.00
Demolition and Increased Cost of Construction		\$ 25,000,000.00	n/a
Equipment Breakdown		\$ 100,000,000.00	\$ 25,000.00
Electronic Data		\$ 900,000.00	\$ 1,000.00
Computer Virus		\$ 250,000.00	\$ 1,000.00
Communicable Disease Outbreak		\$ 1,000,000.00	n/a
Workers Compensation	Each Accident	\$ 3,000,000.00	
	Disease Policy Limit	\$ 3,000,000.00	
	Disease Each Employee	\$ 3,000,000.00	
School Leaders Errors & Omissions Liability		\$ 16,000,000.00 \$100,000/\$300,000	\$ 5,000.00
Administrator - Bond		\$ 25,000.00	\$ 500.00
Treasurer - Bond		\$ 300,000.00	\$ 1,000.00
Crisis Management	Expenses	\$ 1,000,000.00	
	Judgement/Defense	\$ 1,000,000.00	
	Death/Dismemberment	\$ 250,000.00	
	Disappearance	\$ 250,000.00	
	Threat	\$ 250,000.00	
Student Accident		\$ 1,000,000.00	
Pollutant Cleanup and Removal		\$ 250,000.00	\$ 5,000.00
Automobile Physical Damage	Actual Cash Basis		\$ 1,000.00
Flood Deductible	All Zones Except A&V		\$ 10,000.00
Robert Gordon Flood Deductible			\$ 1,000.00
Earthquake		\$ 50,000,000.00	\$ 5,000.00
Environmental Liability		\$ 1,000,000.00	\$ 50,000.00
First Party Microbial Clean Up		\$ 100,000.00	\$ 50,000.00
Employee Benefits Liability		\$ 16,000,000.00	\$ 1,000.00
Sexual Abuse		\$ 15,000,000.00	n/a
Terrorism		\$ 1,000,000.00	n/a
<u>Rebuilding due to Tragedy</u>			25% to Demolish 75% Rebuild cost

SINGLE AUDIT SECTION

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
ROBERT A. HULSART, JR., C.P.A., P.S.A.

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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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

K-1

Honorable President and Members
of the Board of Education
Roselle Park School District
County of Union
Roselle Park, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Roselle Park Board of Education, County of Union, State of New Jersey as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Roselle Park Board of Education, County of Union, State of New Jersey's basic financial statements, and have issued our report thereon dated January 15, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Roselle Park Board of Education, County of Union, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Roselle Park Board of Education, County of Union, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Roselle Park Board of Education, County of Union, and State of New Jersey'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Roselle Park Board of Education, County of Union, State of New Jersey's financial statements are free from material misstatement, we performed tests of it compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

January 15, 2024

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE
OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
REQUIRED BY UNIFORM ADMINISTRATIVE AWARDS (UNIFORM GUIDANCE), AND
NEW JERSEY OMB'S CIRCULAR 15-08**

K-2

Honorable President and Members
of the Board of Education
Roselle Park School District
County of Union
Roselle Park, New Jersey

Report on Compliance for Each Major Federal & State Program

Opinion on Each Major Federal & State Program

We have audited the Borough of Roselle Park School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Borough of Roselle Park School District's major federal and state programs for the year ended June 30, 2023. The Borough of Roselle Park School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough of Roselle Park School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit in accordance with the 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, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and NJ OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above have occurred, whether due to fraud or error, and express an opinion on the Borough of Roselle Park School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and NJ OMB 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 Borough of Roselle Park School District's compliance with the requirements of each major federal or state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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 Borough of Roselle Park School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough of Roselle Park School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Roselle Park School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance or NJ OMB 15-08.

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 combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a 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 purposes described in the Auditor's Responsibilities for the Audit of Compliance paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. 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 have not been identified.

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

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

Respectfully submitted,

ROBERT A. HULSART AND COMPANY

Robert A. Hulsart

**Licensed Public School Accountant
No. 322
Robert A. Hulsart and Company
Wall Township, New Jersey**

January 15, 2024

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Schedule A
K-3

Department of Education Project/Title	CFDA Number	Federal Fain Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2022	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2023				
					From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor		
U.S. Department of Agriculture																	
Passed Through State Department of Education:																	
National School Lunch Program	10.555	231NJ304N1099		\$ 1,166,854	07/01/2021	06/30/2022	\$ (64,934)		64,934								
National School Lunch Program	10.555	221NJ304N1099		471,873	07/01/2022	06/30/2023			378,243	(471,873)				(93,630)			
HHFKA Program	10.555	231NJ304N1099		15,583	07/01/2022	06/30/2023			12,522	(15,583)				(3,061)			
Supply Chain Program	10.555	221NJ304N1099		111,442	07/01/2022	06/30/2023			111,442	(111,442)							
PPP Program	10.555	231NJ304N1099		55,290	07/01/2022	06/30/2023			55,290	(55,290)							
School Breakfast Program	10.553	231NJ304N1099		129,612	07/01/2021	06/30/2022	(6,580)		6,580								
School Breakfast Program	10.553	221NJ304N1099		45,031	07/01/2022	06/30/2023			34,324	(45,031)				(10,707)			
Food Distribution	10.550	231NJ304N1099		80,855	07/01/2022	06/30/2023			80,855	(80,855)							
Total Department of Agriculture							(71,514)	-	744,190	(780,074)	-	-		(107,398)	-	-	
General Fund:																	
Medicaid	93.778	2305NJSMAP		88,374	07/01/2022	06/30/2023			88,374	(88,374)							
U.S. Department of Education																	
Passed Through State Department of Education:																	
Special Revenue Fund:																	
Title I	84.010	S010A220030		303,909	07/01/2022	09/30/2023			183,528	(294,270)				(110,742)			
Title I	84.010	S010A210030		327,227	07/01/2021	09/30/2022	(97,510)		113,375	(15,865)							
Title I SIA	84.010	S010A220030		10,000	07/01/2022	09/30/2023				(3,986)				(3,986)			
Title IIA	84.367A	S367A210029		66,823	07/01/2021	09/30/2022	(15,760)		16,305	(545)							
Title IIA	84.367A	S367A220029		52,465	07/01/2022	09/30/2023			23,140	(52,465)				(29,325)			
Title III	84.365A	S365A210030		40,370	07/01/2021	09/30/2022	(3,712)		22,135	(18,423)							
Title III	84.365A	S365A220030		36,495	07/01/2022	09/30/2023			24,773	(36,460)				(11,687)			
Title III Immigrant	84.365A	S365A210030		5,222	07/01/2021	09/30/2022	(896)		1,298	(402)							
Title IV	84.424	S424A220031		24,320	07/01/2022	09/30/2023			16,310	(24,320)				(8,010)			
L.D.E.A.:																	
Part B	84.027	H027A210100		525,010	07/01/2021	09/30/2022	(150,895)		167,715	(16,820)							
Part B	84.027	H027A220100		519,937	07/01/2022	09/30/2023			375,243	(519,937)				(144,694)			
Preschool	84.173	H173A210114		16,627	07/01/2021	09/30/2022	(5,404)		5,404								
Preschool	84.173	H173A200114		18,556	07/01/2022	09/30/2023			8,103	(18,556)				(10,453)			
ARP IDEA	84.027X	H027X200100		102,191	07/01/2021	09/30/2022	(36,114)		69,598	(32,422)						1,062	
ARP IDEA Preschool	84.173X	H173X210114		8,688	07/01/2021	09/30/2022	(3,426)		6,438	(561)						2,451	
CRRSA ESSER II	84.425D	S425D200027		1,137,818	03/13/2020	09/30/2023	(21,056)		331,919	(386,575)				(75,712)			
CRRSA Accelerated Learning	84.425D	S425D200027		73,019	03/13/2020	09/30/2023	(18,758)		33,680	(19,270)				(4,348)			
CRRSA Mental Health	84.425D	S425D200027		45,000	03/13/2020	09/30/2023	(13,808)		1,608	(4,337)				(16,537)			
ARP ESSER	84.425U	S425U200027		2,557,173	03/13/2020	09/30/2024	(69,306)		438,457	(2,276,454)				(1,907,303)			
ARP Accelerated Learning	84.425U	S425U200027		195,367	03/13/2020	09/30/2024			77,704	(98,067)				(20,363)			
ARP Summer	84.425U	S425U200027		40,000	03/13/2020	09/30/2024				(686)				(686)			
ARP Beyond School	84.425U	S425U200027		40,000	03/13/2020	09/30/2024			36,279	(40,000)				(3,721)			
ARP Mental Health	84.425U	S425U200027		45,000	03/13/2020	09/30/2024			33,402	(44,000)				(10,598)			
CARES Act	84.425D	S425D200027		292,779	03/13/2020	09/30/2022			242	(13)						229	
Total U.S. Department of Education							(436,645)	-	1,986,656	(3,904,434)	-	-		(2,358,165)	3,742	-	
Total Federal Financial Assistance							\$ (508,159)	-	2,819,220	(4,772,882)	-	-		(2,465,563)	3,742	-	

See Accompanying Notes to Schedules of Financial Assistance.

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Schedule B
K-4

Department of Education Project/Title	State Grant Number	Program or Award Amount	Grant Period		Balance at June 30, 2022		Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2023		MEMO		
			From	To	Deferred Revenue (Accounts Receivable)	Due To Grantor						(Accounts Receivable)	Deferred Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
State Department of Education:																
General Fund:																
Special Education Aid	23-495-034-5120-089	\$ 1,320,686	07/01/2022	06/30/2023	\$ -	-	-	1,189,650	(1,320,686)	-	-	-	-	-	(131,036)	1,320,686
Equalization Aid	23-495-034-5120-078	15,355,499	07/01/2022	06/30/2023	-	-	-	13,831,494	(15,355,499)	-	-	-	-	-	(1,524,003)	15,355,499
Security Aid	23-495-034-5120-084	443,400	07/01/2022	06/30/2023	-	-	-	399,413	(443,400)	-	-	-	-	-	(43,987)	443,400
Extraordinary Aid	23-495-034-5120-044	1,022,844	07/01/2022	06/30/2023	-	-	-	-	(1,022,844)	-	-	(1,022,844)	-	-	-	1,022,844
Extraordinary Aid	22-495-034-5120-044	527,992	07/01/2021	06/30/2022	(527,992)	-	-	527,992	-	-	-	-	-	-	-	-
Transportation Aid	23-495-034-5120-014	128,375	07/01/2022	06/30/2023	-	-	-	115,623	(128,375)	-	-	-	-	-	(12,752)	128,375
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)	23-495-034-5094-001	1,627,863	07/01/2022	06/30/2023	-	-	-	1,627,863	(1,627,863)	-	-	-	-	-	-	1,627,863
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)	23-495-034-5094-002	6,196,717	07/01/2022	06/30/2023	-	-	-	6,196,717	(6,196,717)	-	-	-	-	-	-	6,196,717
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability	23-495-034-5094-004	2,256	07/01/2022	06/30/2023	-	-	-	2,256	(2,256)	-	-	-	-	-	-	2,256
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	23-100-034-5095-002	1,298,605	07/01/2022	06/30/2023	-	-	-	1,168,826	(1,298,605)	-	-	(129,779)	-	-	-	1,298,605
Total General Fund					<u>(527,992)</u>	<u>-</u>	<u>-</u>	<u>25,059,834</u>	<u>(27,396,245)</u>	<u>-</u>	<u>-</u>	<u>(1,152,623)</u>	<u>-</u>	<u>-</u>	<u>(1,711,780)</u>	<u>27,396,245</u>
Special Revenue Fund:																
Climate Awareness	N/A	6,660	07/01/2022	06/30/2023	-	-	-	6,660	(6,660)	-	-	-	-	-	-	6,660
Preschool Education Aid	23-495-034-5120-086	1,374,975	07/01/2022	06/30/2023	-	-	-	1,238,580	(1,358,535)	-	-	-	-	-	(136,395)	1,358,535
Total Special Revenue Fund					<u>-</u>	<u>-</u>	<u>-</u>	<u>1,245,240</u>	<u>(1,365,195)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(136,395)</u>	<u>1,365,195</u>
State Department of Agriculture:																
Enterprise Fund:																
State School Lunch Program (State Share)	22-100-010-3350-023	27,494	07/01/2021	06/30/2022	(1,494)	-	-	1,494	-	-	-	-	-	-	-	-
State School Lunch Program (State Share)	23-100-010-3350-023	22,477	07/01/2022	06/30/2023	-	-	-	18,024	(22,477)	-	-	(4,453)	-	-	-	-
State School Breakfast Program (State Share)	23-100-010-3350-023	1,066	07/01/2022	06/30/2023	-	-	-	795	(1,066)	-	-	(273)	-	-	-	-
Total Enterprise Fund					<u>(1,494)</u>	<u>-</u>	<u>-</u>	<u>20,311</u>	<u>(23,543)</u>	<u>-</u>	<u>-</u>	<u>(4,726)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total State Financial Assistance					<u>\$ (529,486)</u>	<u>-</u>	<u>-</u>	<u>26,325,385</u>	<u>(28,784,983)</u>	<u>-</u>	<u>-</u>	<u>(1,157,349)</u>	<u>-</u>	<u>-</u>	<u>(1,848,175)</u>	<u>28,761,440</u>
Less: State Financial Assistance Not Subject to Major Program Determination:																
On-Behalf T.P.A.F. Pension Contributions - Post Retirement Medical (non-budgeted)									\$ 1,627,863							
On-Behalf T.P.A.F. Pension Contributions - Normal Cost (non-budgeted)									6,196,717							
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability									2,256							
Total State Financial Assistance Subject to Major Program Determination									<u>\$ (20,958,147)</u>							

See Accompanying Notes to Schedules of Financial Assistance.

BOARD OF EDUCATION

K-5

ROSELLE PARK SCHOOL DISTRICT**NOTES TO SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE****JUNE 30, 2023****NOTE 1: General**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Roselle Park School District. The Board of Education is defined in Note 1(A) to the Board's general-purpose financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of federal financial assistance.

NOTE 2: Basis of Accounting

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting. This basis of accounting is described in Note 1(C) to the Board's general-purpose financial statements.

NOTE 3: Relationship to General Purpose Financial Statements

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

Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented below:

NOTE 3: Relationship to General Purpose Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>State Assistance</u>				
Actual Amounts (Budgetary) "Revenues" from the Schedule of Expenditures of State Financial Assistance	\$ 27,396,245	1,365,195	23,543	28,784,983
Difference – Budget to "GAAP" Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized		(4,645)		(4,645)
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	<u>(213,177)</u>	<u>(5,018)</u>	<u>_____</u>	<u>(218,195)</u>
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 27,183,068</u>	<u>1,355,532</u>	<u>23,543</u>	<u>28,562,143</u>

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Food Service</u>	<u>Total</u>
<u>Federal Assistance</u>				
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$ 88,374	3,904,434	780,074	4,772,882
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized	_____	(1,495,572)	_____	(1,495,572)
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 88,374</u>	<u>2,408,862</u>	<u>780,074</u>	<u>3,277,310</u>

NOTE 4: Relationship to Federal and State Financial Reports

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

NOTE 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state of behalf of the District for the year ended June 30, 2023. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer’s share of social security contributions for TPAF members for the year ended June 30, 2023.

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part 1 - Summary of Auditor's Results

Financial Statement Section

Unmodified

Type of auditor's report issued:

Internal control over financial reporting:

- 1) Material weakness(es) identified? Yes x No
- 2) Reportable conditions(s) identified that are not considered to be material weaknesses? Yes x None Reported
- Noncompliance material to general purpose financial statements noted? Yes x No

Federal Awards

Internal control over compliance:

- 1) Material weakness(es) identified? Yes x No
- 2) Reportable condition(s) identified that are not considered to be material weaknesses? Yes x None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?

 Yes x No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

84.027	IDEA Part B (Special Education Cluster)
84.173	IDEA-Preschool (Special Education Cluster)
84.027	ARP IDEA Part B (Special Education Cluster)
84.173	ARP IDEA Preschool (Special Education Cluster)
84.425D	CRRSA ESSER II (CRRSA Cluster)
84.425D	CRRSA Accelerated Learning (CRRSA Cluster)
84.425D	CRRSA Mental Health (CRRSA Cluster)
84.425U	ARP ESSER
84.425U	ARP Accelerated Learning
84.425U	ARP Summer
84.425U	ARP Beyond School
84.425U	ARP Mental Health

Dollar threshold used to distinguish between type A and type B programs:

 \$750,000

Auditee qualified as low-risk auditee?

 x Yes No

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part 1 - Summary of Auditor's Results (Continued)

State Awards

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

Auditee qualified as low-risk auditee? x Yes No

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

Internal Control over major programs:

(1) Material Weakness(es) identified? Yes x No

(2) Reportable condition(s) identified that are not considered to material weaknesses? Yes x None Reported

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04? Yes x No

Identification of major programs:

GMIS Number(s)

23-495-034-5120-089
23-495-034-5120-078
23-495-034-5120-084
23-495-034-5095-002

Name of State Program

Special Education Aid (State Aid Public Cluster)
Equalization Aid (State Aid Public Cluster)
Security Aid (State Aid Public Cluster)
TPAF Social Security (Reimbursed)

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part 2 - Financial Statement Findings

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

ROSELLE PARK SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs*

This section identifies audit findings required to be reported by Title U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08, as amended.

Federal Awards

Finding: NONE

Information on the Federal Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

State Awards

Finding: NONE

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

ROSELLE PARK SCHOOL DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs (Continued)

State Awards (Continued)

Recommendation: N/A

Management's response: N/A

ROSELLE PARK SCHOOL DISTRICT**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

This section identifies the status of prior year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, Title 2 U.S. Code of Federal Regulations Part 200 and New Jersey OMB's Circular 15-08.

Prior Audit Findings:

There were no prior year audit findings.