

SCHOOL DISTRICT  
OF  
**City**  
**of**  
**Estell Manor**

City of Estell Manor School District  
Estell Manor, New Jersey

Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2024



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## **Introductory Section**

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# Estell Manor School District

128 Cape May Avenue, Estell Manor, New Jersey 08319  
District Website: [estellmanorschool.com](http://estellmanorschool.com)

**Rose Millar**

*School Business Administrator*  
Telephone: (609) 476-2267

**David L. Ricci**

*Superintendent*  
Telephone: (609) 476-2267  
Fax: (609) 476-4205

**Sarah Foley**

*Supervisor C&I/Special Services*  
Telephone: (609) 476-2267

November 27, 2024

Honorable President and  
Members of the Board of Education  
City of Estell Manor School District  
Estell Manor, New Jersey

The annual comprehensive financial report of the City of Estell Manor School District (District) for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds 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
- Single Audit

The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on multi-year basis. The District is required to undergo an annual single audit in conformity with provisions of Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Requirements of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulation, findings and recommendations, are included in the single audit section of this report.

## **1) REPORTING ENTITY AND ITS SERVICES**

The District is an independent reporting entity within the criteria adopted by the Government Standards Board (GASB.) All major funds of the District are included in this report. The District provides a full range of educational services appropriate to grade levels K through 8. These included regular education, as well as special education for students with disabilities. The District



# Estell Manor School District

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completed the 2023-2024 fiscal year with an enrollment of 188 students.

## **2) ECONOMIC CONDITION AND OUTLOOK**

The City of Estell Manor continues to experience a period of very little development; however, the district was awarded the Preschool Education Aid grant beginning January 2022. This added an additional 15 in-house students and five resident students who attend at our neighboring district.

### **MAJOR INITIATIVES**

The NJ Department of Education required testing at the beginning of the 2021-2022 school year as a baseline for students in grades *three* through eight. This resulted in redirecting instruction to accommodate the time lost during the pandemic at all grade levels. It also increased before and after school tutoring sessions as necessary for all students. The district's Title I program was intensified beginning with the hiring of two additional staff members in an effort to get our students on par. The district purchased a new math series for the 2022-2023 school year in addition to a new benchmark assessment tool—both across all grade levels. During 2023-2024, we purchased a new Language Arts Program, Wit and Wisdom for grades Kindergarten through eighth grade.

There continues to be a central supply system and due to purchasing from discount vendors, the District has maximized its buying power. Over the past ten years, the District has accumulated over 80 PC computers for students and staff. During the pandemic, additional Chromebook were purchased so every student had access in order to accommodate remote instruction. Annually obsolete equipment is replaced as funds allow. All computers are part of the District network and all instructional areas have Internet access. Promethean Boards were purchased to replace outdated Smartboards; and iPads were purchased to provide supplemental instruction for Kindergarten. These continue to be updated as funding allows. Our facility is WIFI enabled, and our message board is being used to its fullest extent. Every teacher has access to either a Promethean ActivBoard or a Smartboard for instructional purposes.

## **3) INTERNAL ACCOUNTING CONTROLS**

Management of the District is responsible for establishing and maintaining internal control structure 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 accounting principles generally accepted in the United States of America (GAAP). 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 awards and state financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to determine the adequacy of internal control, including that portion related to federal awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.



# Estell Manor School District

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## **4) BUDGETARY CONTROLS**

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

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

## **5) ACCOUNTING SYSTEM AND REPORTS**

The District's accounting records reflect accounting principles generally accepted in the United States of America, 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".

## **6) CASH MANAGEMENT**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements". 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.

## **7) RISK MANAGEMENT**

The Board of Education is a member of the Atlantic and Cape May Counties School Business Officials Joint Insurance Fund (ACCASBOJIF). This fund was formed under the provisions of NJSA 18A: 18A 1-10. The fund commenced operations on July 1, 1991. The ACCASBOJIF provides members with a long-term alternative to the conventional insurance marketplace and is a means of stabilizing the otherwise cyclical nature of insurance expenditures.



# Estell Manor School District

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The Fund provides the following coverage:

- Property, including buildings, contents, inland marine, crime, boiler and machinery and auto physical damage
- General Liability, including school board legal liability
- Automobile Liability
- Workers' Compensation

The Fund provides coverage to its members either directly or through the commercial insurance market, through one or more of the following vehicles: excess insurance, reinsurance or an excess property and casualty joint insurance fund.

The District also purchases Student Accident Insurance for all students and coverage for all school volunteers.

## **8) INDEPENDENT AUDIT**

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ford, Scott & Associates, L.L.C., CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements under the guidelines of Single Audit. The auditor's report on the basic financial statements and detailed schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

## **9) ACKNOWLEDGMENTS**

We would like to express our appreciation to the members of the City of Estell Manor School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administration and business staff.

Respectfully submitted,

*David L. Ricci*

David L. Ricci  
Superintendent of School

*Rose Millar*

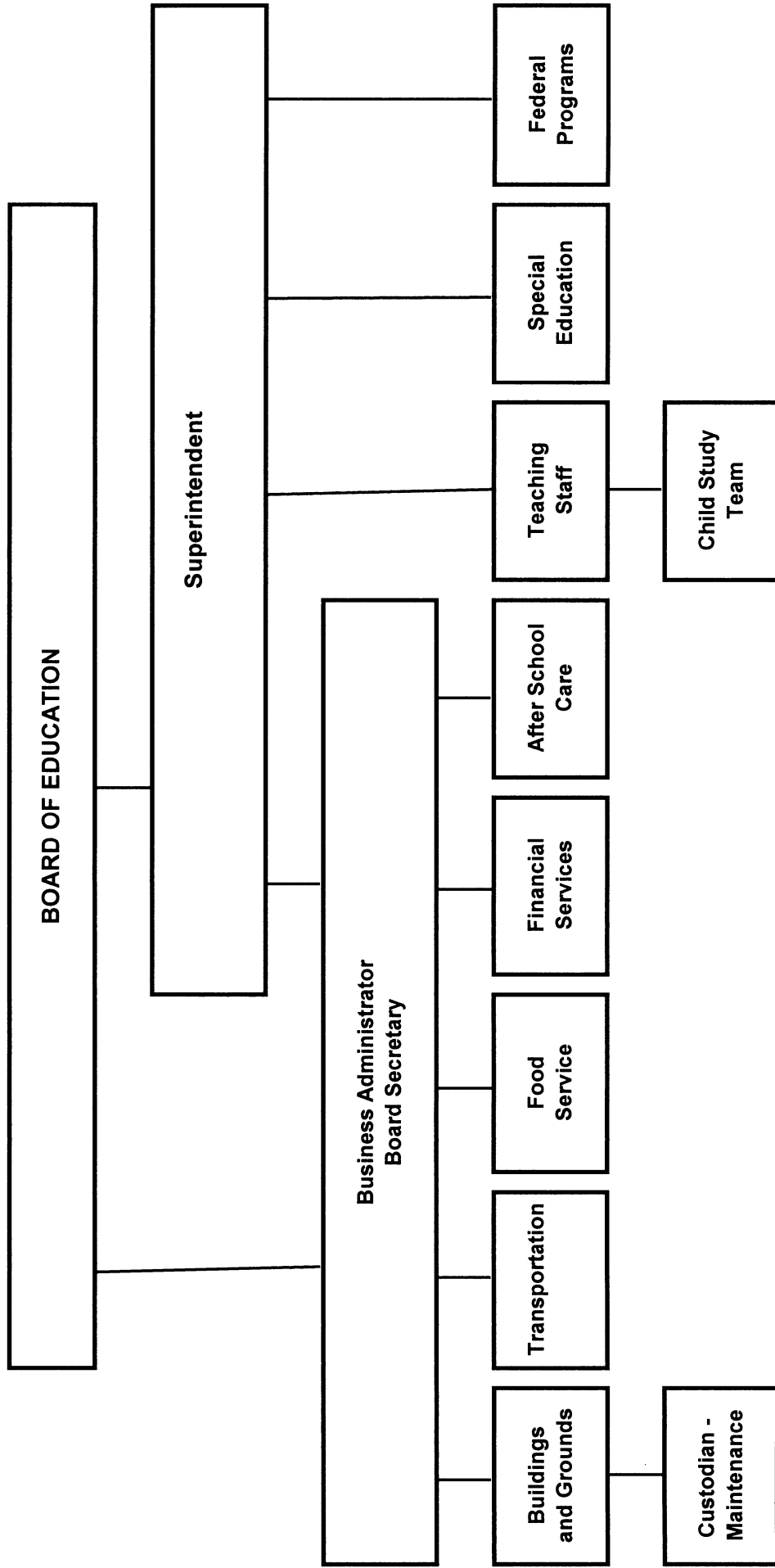
Rose Millar  
School Business Administrator



**CITY OF ESTELL MANOR SCHOOL DISTRICT**

**County of Atlantic  
Estell Manor, New Jersey**

**ORGANIZATIONAL CHART**



**CITY OF ESTELL MANOR SCHOOL DISTRICT**

**Roster of Officials  
June 30, 2024**

| <b><u>Members of the Board of Education</u></b>     | <b><u>Term Expires</u></b> |
|-----------------------------------------------------|----------------------------|
| Kathy Mimler, President                             | 2024                       |
| Brianne Seelman, Vice President                     | 2025                       |
| Alicia Gray                                         | 2026                       |
| Sarah Ferrari                                       | 2024                       |
| Theresa Gellura                                     | 2026                       |
| <b><u>Other Officials</u></b>                       |                            |
| David L. Ricci, Superintendent                      |                            |
| Rose Millar, Business Administrator/Board Secretary |                            |
| Debra D'Amore, Treasurer of School Monies           |                            |

## **CITY OF ESTELL MANOR SCHOOL DISTRICT**

### **Consultants and Advisors**

#### **Attorney**

William Morlock, Esquire  
Parker McCay, P.A.  
9000 Midlantic Drive, Suite 300  
P.O. Box 5054  
Mount Laurel, NJ 08054

#### **Audit Firm**

Ford, Scott & Associates, L.L.C.  
Certified Public Accountants  
1535 Haven Avenue  
Ocean City, NJ 08226

#### **Official Depository**

Newfield National Bank  
3535 East Landis Avenue  
Vineland, NJ 08361

#### **Risk Management Consultant**

Denis M. Brown  
Glenn Insurance  
500 East Absecon Blvd.  
P.O. Box 365  
Absecon, NJ 08201

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## **Financial Section**

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# FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

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## **Independent Auditor's Report**

Honorable President and  
Members of the Board of Education  
City of Estell Manor School District  
County of Atlantic, New Jersey

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

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Estell Manor School District, in the County of Atlantic, New Jersey, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Estell Manor School District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibility 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 misstatements, 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 City of Estell Manor School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

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

We are required to communicate with those charge 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.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Required Supplementary Information identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Estell Manor School District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections 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, schedule of expenditures of federal awards, as required by the Uniform Guidance, and the schedule of state financial assistance as required by NJ OMB 15-08 is 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 Comprehensive Financial Report. The other information comprises of the introductory and statistical sections and have not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2024 on our consideration of the City of Estell Manor School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Estell Manor School District's internal control over financial reporting and compliance.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

November 27, 2024

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**Required Supplemental Information**  
**Part I**

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Estell Manor School District ("District") annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statement.

### FINANCIAL HIGHLIGHTS

- The net position of the District increased \$134,559.22. The increase is due to excess revenues over expenditures during the year.
- The State of New Jersey reimbursed the District \$125,355.81 during the fiscal year ended June 30, 2024 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. Also, the State of New Jersey paid \$567,406.00 on behalf of the District for TPAF Pension Contributions. These amounts, which are not budgeted, are included as both a revenue and appropriation in the financial statements.
- As indicated by New Jersey State Statutes, the unreserved fund balance of the general fund is limited to 2% of the total general fund expenditures. Any excess is required to be designated as Reserved Fund Balance – Excess Surplus and included in the next year's budget as budgeted fund balance. As of June 30, 2024, the District had excess fund balance in the amount of \$1,115,654.01, of which \$596,010.12 has been included in the 2024-2025 budget and the remaining \$519,643.89 will be included in the 2025-2026 budget.
- During the fiscal year ended June 30, 2024, the District's exceeded revenues and special items exceeded expenditures by \$180,743.21. During the prior fiscal year, expenditures exceeded revenues and special items by \$128,364.92.
- In the District's business-type activities, net assets increased \$2,108.61 due to the revenues exceeding the costs of operation.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the basic *financial statements*, *required supplementary information*, and an optional section that presents *combining statements for special revenue and proprietary funds*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the District's government, reporting on the District's operations in *more detail* than the government-wide statements.
  - The *governmental funds* statements tell how *general government* services like instruction were financed in the *short term* as well as what remains for future spending.
  - *Proprietary fund* statements offer *short- and long-term* financial information about the activities the District operates like businesses, such as the food service and after school program.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Major Features of City of Estell Manor School District's  
Government-wide and Fund Financial Statements  
(Figure A-1)**

|                                                 | Government wide<br>Statements                                                                          | Fund Statements                                                                                                                                                  |                                                                                                                                            |
|-------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
|                                                 |                                                                                                        | Governmental<br>Funds                                                                                                                                            | Proprietary<br>Funds                                                                                                                       |
| Scope                                           | Entire District<br>(except fiduciary<br>funds)                                                         | The activities of the<br>District that are not<br>proprietary or<br>fiduciary, such as<br>food service and<br>after school<br>programs and<br>student activities | Activities the<br>District operates<br>similar to private<br>businesses; food<br>service and after<br>school programs                      |
| Required<br>financial<br>statements             | Statement of net<br>position<br><br>Statement of<br>changes in net<br>position                         | Balance sheet<br><br>Statement of<br>revenues,<br>expenditures, and<br>changes in fund<br>balances                                                               | Statement of net<br>assets<br><br>Statement of<br>revenues,<br>expenses, and<br>changes in net<br>assets<br><br>Statement of cash<br>flows |
| Accounting<br>basis and<br>measurement<br>focus | Accrual<br>accounting and<br>economic<br>resources focus                                               | Modified accrual<br>accounting and<br>current financial<br>resources focus                                                                                       | Accrual accounting<br>and economic<br>resources focus                                                                                      |
| Type of<br>asset/liability<br>information       | All assets and<br>liabilities, both<br>financial and<br>capital, and short-<br>term and long-<br>term. | Only assets<br>expected to be used<br>up and liabilities that<br>come due during the<br>year or soon<br>thereafter; no capital<br>assets included.               | All assets and<br>liabilities, both<br>financial and<br>capital, and short-<br>term and long-<br>term.                                     |

|                                    |                                                                                         |                                                                                                                                                                                            |                                                                         |
|------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Type of inflow/outflow information | All revenues and expenses during the year, regardless of when cash is received or paid. | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses, regardless of when cash is received or paid. |
|------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|

### Government-wide Statements

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

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

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

The government-wide financial statements of the District are divided into two categories:

- *Governmental activities* – most of the District's basic services are included here, such as instruction, transportation, administration, and plant operations. Property taxes and state and federal grants finance most of these activities.
- *Business-type activities* – the District charges fees to customers to help it cover the costs of certain services it provides. The District's food program and after school program are included here.

## Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant *funds* – not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

The District has two kinds of funds:

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

## FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

**Net position:** The District's governmental activities net position increased \$134,559.22 between fiscal years 2023 and 2024. The business-type activities net assets increased \$2,108.61 due to revenues exceeding operating costs.

|                            | Governmental Activities |                  | Business Type Activities |                | Total            |                  |
|----------------------------|-------------------------|------------------|--------------------------|----------------|------------------|------------------|
|                            | 2024                    | 2023             | 2024                     | 2023           | 2024             | 2023             |
| Current and Other Assets   | 2,032,072               | 1,818,540        | 148,386                  | 150,815        | 2,180,458        | 1,969,355        |
| Capital Assets             | 5,088,759               | 5,277,898        | 2,821                    | 3,386          | 5,091,580        | 5,281,284        |
| Deferred Outflows          | 48,110                  | 97,196           |                          |                | 48,110           | 97,196           |
| <b>Total Assets</b>        | <b>7,168,941</b>        | <b>7,193,634</b> | <b>151,207</b>           | <b>154,201</b> | <b>7,320,148</b> | <b>7,347,835</b> |
| Long-term Liabilities      | 1,114,232               | 1,214,912        |                          |                | 1,114,232        | 1,214,912        |
| Other Liabilities          | 138,409                 | 102,035          | 28,133                   | 33,235         | 166,542          | 135,270          |
| Deferred Inflows           | 109,591                 | 204,537          |                          |                | 109,591          | 204,537          |
| <b>Total Liabilities</b>   | <b>1,362,232</b>        | <b>1,521,484</b> | <b>28,133</b>            | <b>33,235</b>  | <b>1,390,365</b> | <b>1,554,719</b> |
| Net Position               |                         |                  |                          |                |                  |                  |
| Invested in Capital Assets | 5,088,759               | 5,277,898        | 2,821                    | 3,386          | 5,091,580        | 5,281,284        |
| Restricted                 | 1,840,508               | 1,691,199        |                          |                | 1,840,508        | 1,691,199        |
| Unrestricted               | (1,122,558)             | (1,296,947)      | 120,253                  | 117,580        | (1,002,305)      | (1,179,367)      |
| <b>Total Net Position</b>  | <b>5,806,709</b>        | <b>5,672,150</b> | <b>123,074</b>           | <b>120,966</b> | <b>5,929,783</b> | <b>5,793,116</b> |



**Changes in net position.** The total governmental funds revenue of the District decreased approximately \$152,047.00 due to a decrease in unrestricted federal and state aid as well as operating grants and contributions. The local tax levy is 50.54% of total general fund revenues. The municipality levies this tax on properties located in the Township and remits the collections on a monthly basis to the District.

Approximately 31.73% of the District's revenue comes from the State of New Jersey in the form of non-restricted state aid. This aid is based on the District's enrollment as well as other factors such as legislative funding of the SFRA formula. The District expenses are primarily related to instruction, administration, and plant operations.

|                                    | 2024                |                | 2023                |                |
|------------------------------------|---------------------|----------------|---------------------|----------------|
|                                    | 2024 Amount         | Percentage     | 2023 Amount         | Percentage     |
| Property taxes                     | \$ 2,882,239        | 50.54%         | \$ 2,706,013        | 46.22%         |
| Unrestricted Federal and State aid | 1,809,480           | 31.73%         | 2,010,760           | 34.34%         |
| Miscellaneous                      | 24,792              | 0.43%          | 26,072              | 0.45%          |
| Operating grants and contributions | 986,692             | 17.30%         | 1,112,405           | 19.00%         |
| Totals                             | <u>\$ 5,703,203</u> | <u>100.00%</u> | <u>\$ 5,855,250</u> | <u>100.00%</u> |

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## Governmental Activities

The following schedule summarizes the governmental and business-type activities of the District during the 2024 and 2023 fiscal years.

|                                                                  | Governmental Activities |                  | Business-type Activities |                | Totals           |                  |
|------------------------------------------------------------------|-------------------------|------------------|--------------------------|----------------|------------------|------------------|
|                                                                  | <u>2024</u>             | <u>2023</u>      | <u>2024</u>              | <u>2023</u>    | <u>2024</u>      | <u>2023</u>      |
| <b>Revenues</b>                                                  |                         |                  |                          |                |                  |                  |
| Program revenue                                                  |                         |                  |                          |                |                  |                  |
| Charges for services                                             |                         | -                | 87,303                   | 85,729         | 87,303           | 85,729           |
| Federal and state grants                                         | 986,692                 | 1,112,405        | 65,177                   | 80,162         | 1,051,869        | 1,192,567        |
| General revenues                                                 |                         |                  |                          |                |                  |                  |
| Property taxes                                                   | 2,882,239               | 2,706,013        |                          |                | 2,882,239        | 2,706,013        |
| State aid entitlements                                           | 1,809,480               | 2,010,760        |                          |                | 1,809,480        | 2,010,760        |
| Miscellaneous                                                    | 24,791                  | 26,072           | 60                       | 72             | 24,851           | 26,144           |
| <b>Total revenues</b>                                            | <b>5,703,202</b>        | <b>5,855,250</b> | <b>152,540</b>           | <b>165,963</b> | <b>5,855,742</b> | <b>6,021,213</b> |
| <b>Expenses</b>                                                  |                         |                  |                          |                |                  |                  |
| Instruction:                                                     |                         |                  |                          |                |                  |                  |
| Regular                                                          | 1,273,624               | 1,360,087        |                          |                | 1,273,624        | 1,360,087        |
| Special Education                                                | 890,845                 | 900,491          |                          |                | 890,845          | 900,491          |
| School Sponsored Activities                                      | 139,946                 | 88,348           |                          |                | 139,946          | 88,348           |
| Support services:                                                |                         |                  |                          |                |                  |                  |
| Tuition                                                          | 899,242                 | 812,101          |                          |                | 899,242          | 812,101          |
| Student & instruction related                                    | 680,505                 | 923,183          |                          |                | 680,505          | 923,183          |
| School admin services                                            | 92,541                  | 92,514           |                          |                | 92,541           | 92,514           |
| General admin services                                           | 363,747                 | 325,697          |                          |                | 363,747          | 325,697          |
| Plant operations/maint                                           | 728,058                 | 555,590          |                          |                | 728,058          | 555,590          |
| Pupil transportation                                             | 441,181                 | 420,069          |                          |                | 441,181          | 420,069          |
| Capital Outlay                                                   | 14,871                  | 21,198           |                          |                | 14,871           | 21,198           |
| Interst on Long-Term Debt                                        | 21,099                  | 24,056           |                          |                | 21,099           | 24,056           |
| Charter School                                                   |                         | 57,100           |                          |                | -                | 57,100           |
| Student Activities                                               | 22,984                  | 21,508           |                          |                | 22,984           | 21,508           |
| Business-type activities                                         |                         |                  | 150,431                  | 131,241        | 150,431          | 131,241          |
| <b>Total expenses</b>                                            | <b>5,568,643</b>        | <b>5,601,942</b> | <b>150,431</b>           | <b>131,241</b> | <b>5,719,074</b> | <b>5,733,183</b> |
| Excess (Deficiency) before<br>Extraordinary and Special<br>items | 134,559                 | 253,308          | 2,109                    | 34,722         | 136,668          | 288,030          |
| Cancellations                                                    |                         |                  |                          |                | -                | -                |
| <b>Increase (decrease) in net<br/>position</b>                   | <b>134,559</b>          | <b>253,308</b>   | <b>2,109</b>             | <b>34,722</b>  | <b>136,668</b>   | <b>288,030</b>   |

## Business-type Activities

Operating revenues of the District's business-type activities decreased by \$13,411 from the previous year and expenditures increased by \$19,190.

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of the year end, the governmental funds reported a combined fund balance of \$1,898,645.51 which is \$180,430.10 higher than the beginning of the year. This is mainly a result of the district having an decrease in expenditures.

### General Fund Budgetary Highlights

As further explained in the notes to the Financial Statements, annual appropriated budgets are prepared in the spring of each year for the general and special revenue funds. The budgets are submitted to the County office annually. Transfers of appropriations that do not exceed 10% on a cumulative basis may be made by Board resolution at any time during the fiscal year. Transfers of appropriations that exceed 10% on a cumulative basis must be approved by the Commissioner of Education. The District is permitted to encumber funds throughout the year for purchases ordered but not yet received. Any open encumbrances as of June 30<sup>th</sup> carry over to the next fiscal year and are added to the appropriation reflected in the certified budget.

After adjusting total revenue reported on Exhibit C-1 for the Reimbursed TPAF Social Security Contribution and on-behalf OPEB and TPAF Pension Contributions, which are not budgeted, the District's actual revenue was more than the budget by \$27,528.46. This is a result of non-public transportation aid and miscellaneous revenues. Again, after adjusting for the Reimbursed TPAF Social Security Contribution, on-behalf TPAF Pension Contributions, actual expenditures were \$514,147.75 less than the budgeted appropriations. This is result of lower regular program costs than anticipated.

## CAPITAL ASSET AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2024, the District had invested over \$5 million, net of depreciation, in a broad range of capital assets, including land, buildings and equipment. Refer to Note 4 for more detailed information.

|                            | Governmental Activities |                  | Business-type Activities |              | Total            |                  |
|----------------------------|-------------------------|------------------|--------------------------|--------------|------------------|------------------|
|                            | <u>2024</u>             | <u>2023</u>      | <u>2024</u>              | <u>2023</u>  | <u>2024</u>      | <u>2023</u>      |
| Land                       | \$ 110,400              | 110,400          |                          |              | 110,400          | 110,400          |
| Buildings and Improvements | 4,917,509               | 5,090,553        |                          |              | 4,917,509        | 5,090,553        |
| Equipment                  | 60,850                  | 76,945           | 2,821                    | 3,386        | 63,671           | 80,331           |
| Total                      | <u>\$ 5,088,759</u>     | <u>5,277,898</u> | <u>2,821</u>             | <u>3,386</u> | <u>5,091,580</u> | <u>5,281,284</u> |

### Long-term Debt

At June 30, 2024, the School district has \$1,114,232 of outstanding debt.

|                              | Balance<br>June 30, 2023 | Issued        | Retired/<br>Adjusted | Balance<br>June 30, 2024 |
|------------------------------|--------------------------|---------------|----------------------|--------------------------|
| General Obligations Bonds    | \$ 755,000               |               | 95,000               | 660,000                  |
| Compensated Absences Payable | 54,194                   | 10,404        | 25,559               | 39,039                   |
| Lease Liability              | 9,264                    |               | 4,632                | 4,632                    |
| Net Pension Liability        | 396,454                  | 14,107        |                      | 410,561                  |
| Total                        | <u>\$ 1,214,912</u>      | <u>24,511</u> | <u>125,191</u>       | <u>1,114,232</u>         |

More detailed information about the District's long-term debt is presented in Note 5 to the financial statements.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to present users (residents, receiving districts, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's business administrator at 128 Cape May Avenue, Estell Manor, New Jersey 08319.

## **BASIC FINANCIAL STATEMENTS**

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**DISTRICT-WIDE FINANCIAL STATEMENTS**

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**City of Estell Manor School District**  
**Statement of Net Position**  
**June 30, 2024**

|                                                     | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>        |
|-----------------------------------------------------|------------------------------------|-------------------------------------|---------------------|
| <b>ASSETS</b>                                       |                                    |                                     |                     |
| Cash and cash equivalents                           | \$ 1,572,991.19                    | 163,964.80                          | 1,736,955.99        |
| Receivables from other governments                  | 427,712.31                         | -                                   | 427,712.31          |
| Interfunds                                          | 26,736.66                          | (26,736.66)                         | -                   |
| Other current assets                                | -                                  | 3,595.80                            | 3,595.80            |
| Inventory                                           | -                                  | 7,561.66                            | 7,561.66            |
| Right to Use Leased Assets                          | 4,632.00                           |                                     | 4,632.00            |
| Capital assets not being depreciated                |                                    |                                     |                     |
| Land                                                | 110,400.00                         | -                                   | 110,400.00          |
| Depreciable assets, net of accumulated depreciation | 4,978,359.07                       | 2,821.50                            | 4,981,180.57        |
| Total assets                                        | <u>7,120,831.23</u>                | <u>151,207.10</u>                   | <u>7,272,038.33</u> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>               |                                    |                                     |                     |
| Deferred Outflows Related to Pensions               | 48,110.00                          | -                                   | 48,110.00           |
| Total Deferred Outflows of Resources                | <u>48,110.00</u>                   | <u>-</u>                            | <u>48,110.00</u>    |
| <b>LIABILITIES</b>                                  |                                    |                                     |                     |
| Accounts payable                                    | 52,916.92                          | 26,060.11                           | 78,977.03           |
| Accrued Interest Payable                            | 9,613.54                           |                                     | 9,613.54            |
| Unearned revenue                                    | 75,877.73                          | 2,072.43                            | 77,950.16           |
| Noncurrent liabilities:                             |                                    |                                     |                     |
| Due within one year                                 | 95,000.00                          | -                                   | 95,000.00           |
| Due beyond one year                                 | 608,671.33                         | -                                   | 608,671.33          |
| Net pension liability                               | 410,561.00                         | -                                   | 410,561.00          |
| Total liabilities                                   | <u>1,252,640.52</u>                | <u>28,132.54</u>                    | <u>1,280,773.06</u> |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                                    |                                     |                     |
| Deferred Inflows Related to Pensions                | 109,591.00                         | -                                   | 109,591.00          |
| Total Deferred Inflows of Resources                 | <u>109,591.00</u>                  | <u>-</u>                            | <u>109,591.00</u>   |
| <b>NET POSITION</b>                                 |                                    |                                     |                     |
| Net investment in capital assets                    | 5,088,759.07                       | 2,821.50                            | 5,091,580.57        |
| Restricted for:                                     |                                    |                                     |                     |
| Other purposes                                      | 1,840,508.51                       | -                                   | 1,840,508.51        |
| Unrestricted net position/(deficit)                 | (1,122,557.87)                     | 120,253.06                          | (1,002,304.81)      |
| Total net position                                  | <u>\$ 5,806,709.71</u>             | <u>123,074.56</u>                   | <u>5,929,784.27</u> |

The accompanying notes are an integral part of these financial statements

**City of Estell Manor School District**  
**Statement of Activities**  
**For the Year Ended June 30, 2024**

| Functions/Programs                               | Expenses      | Indirect<br>Expense<br>Allocation | Program Revenues        |                                          | Net (Expense) Revenue and<br>Changes in Net Position |                             |                |
|--------------------------------------------------|---------------|-----------------------------------|-------------------------|------------------------------------------|------------------------------------------------------|-----------------------------|----------------|
|                                                  |               |                                   | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Governmental<br>Activities                           | Business-type<br>Activities | Total          |
| Governmental activities:                         |               |                                   |                         |                                          |                                                      |                             |                |
| Instruction:                                     |               |                                   |                         |                                          |                                                      |                             |                |
| Regular                                          | \$ 726,652.31 | 546,971.28                        |                         | 181,655.08                               | (1,091,968.51)                                       |                             | (1,091,968.51) |
| Special education                                | 744,079.63    | 146,765.52                        |                         | 597,843.81                               | (293,001.34)                                         |                             | (293,001.34)   |
| Other special instruction                        | 62,167.49     | 46,795.19                         |                         | 15,541.19                                | (93,421.49)                                          |                             | (93,421.49)    |
| Other instruction                                | 17,677.30     | 13,306.20                         |                         | 4,419.13                                 | (26,564.37)                                          |                             | (26,564.37)    |
| Support services:                                |               |                                   |                         |                                          |                                                      |                             |                |
| Tuition                                          | 899,242.33    |                                   |                         |                                          | (899,242.33)                                         |                             | (899,242.33)   |
| Student & instruction related services           | 458,906.62    | 221,598.04                        |                         | 238,668.57                               | (441,836.09)                                         |                             | (441,836.09)   |
| School administrative services                   | 54,451.20     | 38,090.13                         |                         | (6,746.16)                               | (99,287.49)                                          |                             | (99,287.49)    |
| General and business administrative services     | 221,252.92    | 142,494.45                        |                         | (25,237.24)                              | (388,984.61)                                         |                             | (388,984.61)   |
| Plant operations and maintenance                 | 449,041.31    | 279,016.72                        |                         | (49,416.75)                              | (777,474.78)                                         |                             | (777,474.78)   |
| Pupil transportation                             | 441,180.80    |                                   |                         |                                          | (441,180.80)                                         |                             | (441,180.80)   |
| Unallocated benefits                             | 1,435,037.53  | (1,435,037.53)                    |                         |                                          | -                                                    |                             | -              |
| Capital outlay                                   | 14,871.00     |                                   |                         |                                          | (14,871.00)                                          |                             | (14,871.00)    |
| Interest on Long-Term Debt                       | 21,098.70     |                                   |                         |                                          | (21,098.70)                                          |                             | (21,098.70)    |
| Student Activities and Scholarship               | 22,984.19     |                                   |                         | 29,964.50                                | 6,980.31                                             |                             | 6,980.31       |
| Total governmental activities                    | 5,568,643.33  | -                                 | -                       | 986,692.13                               | (4,581,951.20)                                       | -                           | (4,581,951.20) |
| Business-type activities:                        |               |                                   |                         |                                          |                                                      |                             |                |
| Food Service                                     | 118,092.17    |                                   | 47,540.40               | 65,176.71                                |                                                      | (5,375.06)                  | (5,375.06)     |
| Community Service Programs                       | 32,339.26     |                                   | 39,762.50               |                                          |                                                      | 7,423.24                    | 7,423.24       |
| Total business-type activities                   | 150,431.43    | -                                 | 87,302.90               | 65,176.71                                |                                                      | 2,048.18                    | 2,048.18       |
| Total government                                 | 5,719,074.76  | -                                 | 87,302.90               | 1,051,868.84                             | (4,581,951.20)                                       | 2,048.18                    | (4,579,903.02) |
| General revenues:                                |               |                                   |                         |                                          |                                                      |                             |                |
| Taxes:                                           |               |                                   |                         |                                          |                                                      |                             |                |
| Property taxes, levied for general purposes, net |               |                                   |                         |                                          | 2,764,779.00                                         |                             | 2,764,779.00   |
| Property taxes, levied for debt service          |               |                                   |                         |                                          | 117,459.96                                           |                             | 117,459.96     |
| Federal and State aid not restricted             |               |                                   |                         |                                          | 1,809,480.00                                         |                             | 1,809,480.00   |
| Investment Earnings                              |               |                                   |                         |                                          |                                                      | 60.43                       | 60.43          |
| Other Income                                     |               |                                   |                         |                                          | 24,791.46                                            |                             | 24,791.46      |
| Total general revenues and transfers             |               |                                   |                         |                                          | 4,716,510.42                                         | 60.43                       | 4,716,570.85   |
| Change in Net Position                           |               |                                   |                         |                                          | 134,559.22                                           | 2,108.61                    | 136,667.83     |
| Net Position—beginning balance                   |               |                                   |                         |                                          | 5,672,150.49                                         | 120,965.95                  | 5,793,116.44   |
| Net Position—ending balance                      |               |                                   |                         |                                          | 5,806,709.71                                         | 123,074.56                  | 5,929,784.27   |
|                                                  |               |                                   |                         |                                          | \$                                                   |                             |                |

The accompanying notes are an integral part of these financial statements

**FUND FINANCIAL STATEMENTS**

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**City of Estell Manor School District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2024**

|                                                | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Fund</u> | <u>Capital<br/>Projects<br/>Fund</u> | <u>Debt<br/>Service<br/>Fund</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|------------------------------------------------|-------------------------|-------------------------------------|--------------------------------------|----------------------------------|-----------------------------------------|
| <b>ASSETS</b>                                  |                         |                                     |                                      |                                  |                                         |
| Cash and cash equivalents                      | \$ 1,484,777.51         | 57,996.69                           |                                      | 30,216.99                        | 1,572,991.19                            |
| Interfund accounts receivable                  | 41,987.42               |                                     |                                      | 1,299.76                         | 43,287.18                               |
| Receivables from other governments             | 379,068.71              | 48,643.60                           |                                      |                                  | 427,712.31                              |
| Total assets                                   | <u>1,905,833.64</u>     | <u>106,640.29</u>                   | <u>-</u>                             | <u>31,516.75</u>                 | <u>2,043,990.68</u>                     |
| <b>LIABILITIES AND FUND BALANCES</b>           |                         |                                     |                                      |                                  |                                         |
| Liabilities:                                   |                         |                                     |                                      |                                  |                                         |
| Accounts payable                               | 52,916.92               |                                     |                                      |                                  | 52,916.92                               |
| Interfund accounts payable                     |                         | 16,550.52                           |                                      |                                  | 16,550.52                               |
| Unearned revenue                               |                         | 75,877.73                           |                                      |                                  | 75,877.73                               |
| Total liabilities                              | <u>52,916.92</u>        | <u>92,428.25</u>                    | <u>-</u>                             | <u>-</u>                         | <u>145,345.17</u>                       |
| Fund Balances:                                 |                         |                                     |                                      |                                  |                                         |
| Restricted for:                                |                         |                                     |                                      |                                  |                                         |
| Excess surplus                                 | 519,643.89              |                                     |                                      |                                  | 519,643.89                              |
| Excess surplus -- designated for               |                         |                                     |                                      |                                  |                                         |
| Subsequent year's expenditures                 | 596,010.12              |                                     |                                      |                                  | 596,010.12                              |
| Capital projects                               |                         |                                     | -                                    |                                  | -                                       |
| Debt Service                                   |                         |                                     |                                      | 31,516.75                        | 31,516.75                               |
| Capital Reserve                                | 500,020.00              |                                     |                                      |                                  | 500,020.00                              |
| Maintenance Reserve                            | 100,070.00              |                                     |                                      |                                  | 100,070.00                              |
| Payroll                                        | 25,135.04               |                                     |                                      |                                  | 25,135.04                               |
| Student Activities                             |                         | 45,053.46                           |                                      |                                  | 45,053.46                               |
| Scholarship                                    |                         | 3,293.58                            |                                      |                                  | 3,293.58                                |
| Assigned to:                                   |                         |                                     |                                      |                                  |                                         |
| Designated for subsequent year's expenditures: |                         |                                     |                                      |                                  |                                         |
| Unreserved fund balance                        | 4,035.88                |                                     |                                      |                                  | 4,035.88                                |
| Encumbrances                                   | 15,729.79               |                                     |                                      |                                  | 15,729.79                               |
| Unreserved, reported in:                       |                         |                                     |                                      |                                  |                                         |
| General fund                                   | 92,272.00               |                                     |                                      |                                  | 92,272.00                               |
| Special Revenue                                |                         | (34,135.00)                         |                                      |                                  | (34,135.00)                             |
| Total Fund balances                            | <u>1,852,916.72</u>     | <u>14,212.04</u>                    | <u>-</u>                             | <u>31,516.75</u>                 | <u>1,898,645.51</u>                     |
| Total liabilities and fund balances            | <u>1,905,833.64</u>     | <u>106,640.29</u>                   | <u>-</u>                             | <u>31,516.75</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.

5,088,759.07

Pension Liabilities Net of Deferred Outflows & Inflows

(472,042.00)

Right to use leased assets used in governmental activities are not financial resources and therefore are not reported in the funds.

4,632.00

Some liabilities, such as compensated absences and capital leases, are not due and payable in the current period and therefore are not reported in the funds.

|                      |              |
|----------------------|--------------|
| Bonds Payable        | (660,000.00) |
| Accrued Interest     | (9,613.54)   |
| Compensated Absences | (39,039.33)  |
| Copier Lease         | (4,632.00)   |

Total net position of governmental activities

\$ 5,806,709.71

**City of Estell Manor School District**  
**Statement of Revenues, Expenditures, And Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2024**

|                                               | General<br>Fund        | Special<br>Revenue<br>Fund | Capital<br>Projects<br>Fund | Debt<br>Service<br>Fund | Total<br>Governmental<br>Funds |
|-----------------------------------------------|------------------------|----------------------------|-----------------------------|-------------------------|--------------------------------|
| <b>REVENUES</b>                               |                        |                            |                             |                         |                                |
| Local tax levy                                | \$ 2,764,779.00        |                            |                             | 117,459.96              | 2,882,238.96                   |
| Other Income                                  | 24,791.46              |                            |                             |                         | 24,791.46                      |
| State sources                                 | 2,656,853.81           | 321,935.48                 |                             |                         | 2,978,789.29                   |
| Federal sources                               |                        | 392,239.35                 |                             |                         | 392,239.35                     |
| Local sources                                 |                        | 29,964.50                  | -                           |                         | 29,964.50                      |
| Total revenues                                | <u>5,446,424.27</u>    | <u>744,139.33</u>          | <u>-</u>                    | <u>117,459.96</u>       | <u>6,308,023.56</u>            |
| <b>EXPENDITURES</b>                           |                        |                            |                             |                         |                                |
| Current:                                      |                        |                            |                             |                         |                                |
| Regular instruction                           | 943,491.03             |                            |                             |                         | 943,491.03                     |
| Special education instruction                 | 253,161.28             | 549,101.38                 |                             |                         | 802,262.66                     |
| Other special instruction                     | 80,718.75              |                            |                             |                         | 80,718.75                      |
| Other instruction                             | 22,952.36              |                            |                             |                         | 22,952.36                      |
| Support services and undistributed costs:     |                        |                            |                             |                         | -                              |
| Tuition                                       | 850,330.50             |                            |                             |                         | 850,330.50                     |
| Student & instruction related services        | 382,242.67             | 172,367.45                 |                             |                         | 554,610.12                     |
| School administrative services                | 65,703.08              |                            |                             |                         | 65,703.08                      |
| Other administrative services                 | 245,793.96             |                            |                             |                         | 245,793.96                     |
| Plant operations and maintenance              | 481,286.27             |                            |                             |                         | 481,286.27                     |
| Pupil transportation                          | 441,180.80             |                            |                             |                         | 441,180.80                     |
| Unallocated Benefits                          | 1,435,037.53           |                            |                             |                         | 1,435,037.53                   |
| Student activities                            |                        | 21,732.11                  |                             |                         | 21,732.11                      |
| Scholarship                                   |                        | 1,252.08                   |                             |                         | 1,252.08                       |
| Debt Service                                  |                        |                            |                             |                         |                                |
| Principal                                     |                        |                            |                             | 95,000.00               | 95,000.00                      |
| Interest                                      |                        |                            |                             | 22,459.38               | 22,459.38                      |
| Capital outlay                                | 14,871.00              | -                          | -                           | -                       | 14,871.00                      |
| Transfer to Charter Schools                   | 48,911.83              |                            |                             |                         | 48,911.83                      |
| Total expenditures                            | <u>5,265,681.06</u>    | <u>744,453.02</u>          | <u>-</u>                    | <u>117,459.38</u>       | <u>6,127,593.46</u>            |
| (Deficiency) of revenues<br>over expenditures | <u>180,743.21</u>      | <u>(313.69)</u>            | <u>-</u>                    | <u>0.58</u>             | <u>180,430.10</u>              |
| <b>OTHER FINANCING SOURCES (USES)</b>         |                        |                            |                             |                         |                                |
| Transfer to Debt Service                      | -                      |                            | (28,815.08)                 | 28,815.08               | -                              |
| Total other financing sources and uses        | <u>-</u>               | <u>-</u>                   | <u>(28,815.08)</u>          | <u>28,815.08</u>        | <u>-</u>                       |
| Net change in fund balances                   | <u>180,743.21</u>      | <u>(313.69)</u>            | <u>(28,815.08)</u>          | <u>28,815.66</u>        | <u>180,430.10</u>              |
| Fund Balance, July 1                          | 1,672,173.51           | 14,525.73                  | 28,815.08                   | 2,701.09                | 1,718,215.41                   |
| Fund balance—June 30                          | <u>\$ 1,852,916.72</u> | <u>14,212.04</u>           | <u>-</u>                    | <u>31,516.75</u>        | <u>1,898,645.51</u>            |

**City of Estell Manor School District  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2024**

|                                                                          |    |            |
|--------------------------------------------------------------------------|----|------------|
| <b>Total net change in fund balances - governmental funds (from B-2)</b> | \$ | 180,430.10 |
|--------------------------------------------------------------------------|----|------------|

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

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

This is the amount by which depreciation exceeded capital outlays in the period.

|  |                      |                  |              |
|--|----------------------|------------------|--------------|
|  | Depreciation expense | (216,298.55)     |              |
|  | Capital outlays      | <u>27,159.64</u> | (189,138.91) |

District pension contributions - PERS

Cost of benefits earned net of employee contributions

|  |                   |           |
|--|-------------------|-----------|
|  | 37,884.00         |           |
|  | <u>(6,131.00)</u> | 31,753.00 |

In the Statement of Activities, interest on long-term debt is accrued, regardless of when due. In the governmental funds, interest is reported when due. The (decrease)/increase in accrued interest from the previous year is an increase/(decrease) in the reconciliation.

1,360.68

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

95,000.00

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

15,154.35

**Change in net position of governmental activities**

|  |                   |
|--|-------------------|
|  | <u>134,559.22</u> |
|--|-------------------|

**City of Estell Manor School District**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2024**

|                                  | <b>Business-type Activities -<br/>Enterprise Funds</b> |                                |                          |
|----------------------------------|--------------------------------------------------------|--------------------------------|--------------------------|
|                                  | <b>Food<br/>Service</b>                                | <b>Playgroup<br/>Childcare</b> | <b>Totals</b>            |
| <b>ASSETS</b>                    |                                                        |                                |                          |
| Current assets:                  |                                                        |                                |                          |
| Cash and cash equivalents        | 78,169.36                                              | 85,795.44                      | 163,964.80               |
| Accounts receivable              | 3,595.80                                               | -                              | 3,595.80                 |
| Inventories                      | 7,561.66                                               |                                | 7,561.66                 |
| Total current assets             | <u>89,326.82</u>                                       | <u>85,795.44</u>               | <u>175,122.26</u>        |
| Noncurrent assets:               |                                                        |                                |                          |
| Furniture, machinery & equipment | 16,704.74                                              | -                              | 16,704.74                |
| Less accumulated depreciation    | (13,883.24)                                            | -                              | (13,883.24)              |
| Total noncurrent assets          | <u>2,821.50</u>                                        | <u>-</u>                       | <u>2,821.50</u>          |
| Total assets                     | <u><u>92,148.32</u></u>                                | <u><u>85,795.44</u></u>        | <u><u>177,943.76</u></u> |
| <b>LIABILITIES</b>               |                                                        |                                |                          |
| Current liabilities:             |                                                        |                                |                          |
| Accounts Payable                 | 26,060.11                                              |                                | 26,060.11                |
| Interfund Payable                | -                                                      | 26,736.66                      | 26,736.66                |
| Unearned revenue                 | 2,072.43                                               | -                              | 2,072.43                 |
| Total current liabilities        | <u>28,132.54</u>                                       | <u>26,736.66</u>               | <u>54,869.20</u>         |
| Total liabilities                | <u>28,132.54</u>                                       | <u>26,736.66</u>               | <u>54,869.20</u>         |
| <b>NET POSITION</b>              |                                                        |                                |                          |
| Investment in capital assets     | 2,821.50                                               | -                              | 2,821.50                 |
| Unrestricted                     | 61,194.28                                              | 59,058.78                      | 120,253.06               |
| Total net position               | <u><u>64,015.78</u></u>                                | <u><u>59,058.78</u></u>        | <u><u>123,074.56</u></u> |

The accompanying notes are an integral part of these financial statements



**City of Estell Manor School District**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

|                                         | <b>Business-type Activities -<br/>Enterprise Fund</b> |                                |                    |
|-----------------------------------------|-------------------------------------------------------|--------------------------------|--------------------|
|                                         | <b>Food<br/>Service</b>                               | <b>Playgroup<br/>Childcare</b> | <b>Total</b>       |
| Operating revenues:                     |                                                       |                                |                    |
| Charges for services:                   |                                                       |                                |                    |
| Daily sales - reimbursable programs     | \$ 30,487.38                                          |                                | 30,487.38          |
| Daily sales - non-reimbursable programs | 13,346.10                                             |                                | 13,346.10          |
| Community service activities            |                                                       | 39,762.50                      | 39,762.50          |
| Miscellaneous                           | 3,706.92                                              |                                | 3,706.92           |
| Total operating revenues                | <u>47,540.40</u>                                      | <u>39,762.50</u>               | <u>87,302.90</u>   |
| Operating expenses:                     |                                                       |                                |                    |
| Cost of sales - Reimbursable            | 36,152.86                                             |                                | 36,152.86          |
| Cost of sales - Non Reimbursable        | 5,057.10                                              |                                | 5,057.10           |
| Salaries                                | 41,194.10                                             | 23,339.01                      | 64,533.11          |
| Employee benefits                       | 8,016.59                                              | 2,594.00                       | 10,610.59          |
| Supplies and Materials                  | 3,127.37                                              | -                              | 3,127.37           |
| Other Purchased Services                | 3,190.00                                              |                                | 3,190.00           |
| General Expense                         | 8,692.85                                              |                                | 8,692.85           |
| Management Fee                          | 12,097.00                                             |                                | 12,097.00          |
| Administrative Fee                      |                                                       | 6,406.25                       | 6,406.25           |
| Depreciation                            | 564.30                                                | -                              | 564.30             |
| Total Operating Expenses                | <u>118,092.17</u>                                     | <u>32,339.26</u>               | <u>150,431.43</u>  |
| Operating (loss)                        | <u>(70,551.77)</u>                                    | <u>7,423.24</u>                | <u>(63,128.53)</u> |
| Nonoperating revenues (expenses):       |                                                       |                                |                    |
| State sources:                          |                                                       |                                |                    |
| State school breakfast program          | 1,227.60                                              |                                | 1,227.60           |
| State school lunch program              | 1,337.77                                              |                                | 1,337.77           |
| Federal sources:                        |                                                       |                                |                    |
| National school breakfast program       | 10,916.98                                             |                                | 10,916.98          |
| National school lunch program           | 25,610.05                                             |                                | 25,610.05          |
| Food distribution program               | 14,991.13                                             |                                | 14,991.13          |
| Healthy Hunger Free Kids Act            | 1,050.24                                              |                                | 1,050.24           |
| Supply chain assistance                 | 9,389.94                                              |                                | 9,389.94           |
| PEBT                                    | 653.00                                                |                                | 653.00             |
| Interest and investment revenue         | 35.48                                                 | 24.95                          | 60.43              |
| Total nonoperating revenues             | <u>65,212.19</u>                                      | <u>24.95</u>                   | <u>65,237.14</u>   |
| Change in net position                  | <u>(5,339.58)</u>                                     | <u>7,448.19</u>                | <u>2,108.61</u>    |
| Total net position—beginning            | <u>69,355.36</u>                                      | <u>51,610.59</u>               | <u>120,965.95</u>  |
| Total net position—ending               | <u>\$ 64,015.78</u>                                   | <u>59,058.78</u>               | <u>123,074.56</u>  |

The accompanying notes are an integral part of these financial statements

**City of Estell Manor School District**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2024**

|                                                                                                       | <b>Food<br/>Service</b> | <b>Playgroup<br/>Childcare</b> | <b>Total</b> |
|-------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------|--------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                           |                         |                                |              |
| Receipts from customers                                                                               | 48,272.45               | 39,762.50                      | 88,034.95    |
| Payments to employees                                                                                 | (49,210.69)             | (25,933.01)                    | (75,143.70)  |
| Payments to suppliers                                                                                 | (35,887.83)             | (6,406.25)                     | (42,294.08)  |
| Net cash (used for) operating activities                                                              | (36,826.07)             | 7,423.24                       | (29,402.83)  |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>                                                |                         |                                |              |
| State Sources                                                                                         | 2,481.98                |                                | 2,481.98     |
| Federal Sources                                                                                       | 47,976.68               |                                | 47,976.68    |
| Operating subsidies and transfers from other funds                                                    | -                       | -                              | -            |
| Net cash provided by non-capital financing activities                                                 | 50,458.66               | -                              | 50,458.66    |
| <b>CASH FLOWS FROM CAPITAL AND RELATED ACTIVITIES</b>                                                 |                         |                                |              |
| Purchase of capital assets                                                                            | -                       | -                              | -            |
| Net cash (used for) capital & related financing activities                                            | -                       | -                              | -            |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                           |                         |                                |              |
| Interfund loans received                                                                              | -                       | 378.77                         | 378.77       |
| Interest and dividends                                                                                | 35.48                   | 24.95                          | 60.43        |
| Net cash provided by investing activities                                                             | 35.48                   | 403.72                         | 439.20       |
| Net increase in cash and cash equivalents                                                             | 13,668.07               | 7,826.96                       | 21,495.03    |
| Balances—beginning of year                                                                            | 64,501.29               | 77,968.48                      | 142,469.77   |
| Balances—end of year                                                                                  | 78,169.36               | 85,795.44                      | 163,964.80   |
| <b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b> |                         |                                |              |
| Operating (loss)                                                                                      | (70,551.77)             | 7,423.24                       | (63,128.53)  |
| Adjustments to reconcile operating (loss) to net cash provided by/ (used for) operating activities    |                         |                                |              |
| Depreciation expense                                                                                  | 564.30                  | -                              | 564.30       |
| Federal commodities                                                                                   | 14,991.13               |                                | 14,991.13    |
| Decrease in accounts receivable                                                                       | 732.05                  | -                              | 732.05       |
| Decrease in inventories                                                                               | (3,816.73)              |                                | (3,816.73)   |
| Increase in deferred revenue                                                                          | 690.23                  | -                              | 690.23       |
| (Decrease) in deposits payable                                                                        | -                       | -                              | -            |
| Increase in accounts payable                                                                          | 20,564.72               | -                              | 20,564.72    |
| Increase in compensated absences payable                                                              | -                       |                                | -            |
| Total adjustments                                                                                     | 33,725.70               | -                              | 33,725.70    |
| Net cash (used for) operating activities                                                              | (36,826.07)             | 7,423.24                       | (29,402.83)  |

The accompanying notes are an integral part of these financial statements

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Estell Manor School District 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 financial statements of the Board of Education (Board) of the City of Estell Manor 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. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

**A. REPORTING ENTITY:**

The City of Estell Manor School District is a Type II district located in the County of Atlantic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The purpose of the district is to educate students in grades K-8. The City of Estell Manor School District had an approximate enrollment at June 30, 2024 of 188 students.

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

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

Based on the aforementioned criteria, the District has no component units.

**B. BASIC FINANCIAL STATEMENTS – GOVERNMENT-WIDE STATEMENTS:**

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general, special revenue, capital project, and debt service activities are classified as governmental activities. The District's food service and playground childcare program are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service and playgroup childcare program). The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, special education, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, On-behalf TPAF Post Retirement Medical Contributions and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

**C. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS**

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria is applied to proprietary funds.

The following fund types are used by the District:

**1. Governmental Funds:**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds.
- d. **Debt Service** funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

**Fund Balances – Governmental Funds**

In the fund financial statements, governmental funds report the following classifications of fund balance:

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

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

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

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

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

## **2. Proprietary Funds:**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the District:

- a. **Enterprise funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District's enterprise funds consist of a food service fund and playgroup childcare program.

## **3. Fiduciary Funds:**

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

All fund internal activity is eliminated when carried to the Government-wide statements.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**D. BASIS OF ACCOUNTING**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

**1. Accrual:**

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

**E. FINANCIAL STATEMENT AMOUNTS**

**1. Cash and Cash Equivalents:**

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

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

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

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

**2. Investments:**

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**3. Inventories:**

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2024, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

|          |                           |
|----------|---------------------------|
| Food     | \$ 6,052.09               |
| Supplies | <u>1,509.57</u>           |
|          | <u><u>\$ 7,561.66</u></u> |

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2024 is \$5,074.85.

**4. Capital:**

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

|                      |             |
|----------------------|-------------|
| Buildings            | 30-50 years |
| Equipment & Vehicles | 3-20 years  |
| Improvements         | 10-50 years |
| Software             | 5-7 years   |

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

**5. Revenues:**

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

**6. Expenditures:**

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**7. Compensated absences:**

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

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

**8. Interfund Activity:**

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

**9. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

The following are the major transfers made during the year.

|                                                                | <u>To</u> | <u>From</u> |
|----------------------------------------------------------------|-----------|-------------|
| Regular Programs - Undistributed - Other Purchased Services \$ | 69,332.00 |             |
| Tuition to CSSD & Regional Day Schools                         |           | 64,744.45   |
| Required Maint. For School Facilities - Security Officer       | 58,000.00 |             |
| Student Transportation Services                                |           |             |
| Contracted Serv (H&S) - Joint Agreement                        | 43,386.81 |             |
| Contracted Serv (Spec Ed) - Joint Agreement                    |           | 43,386.81   |
| Unallocated Benefits                                           |           |             |
| Social Security Contributions                                  | 60,335.34 |             |
| Health Benefits                                                |           | 125,165.47  |



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NOTES TO BASIC FINANCIAL STATEMENTS  
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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.

**10. Encumbrances**

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

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

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

**11. Tuition Payable**

Tuition charges for the fiscal years 2023/24 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**12. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

**13. Allocation of Costs**

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the actual expenditures by program.

**14. Pensions**

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

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE**

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, "Compensated Absences". This statement, which is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter, may have an effect on the District's financial reporting.

In December 2023, the Governmental Accounting Standards Board (GASB) issued Statement No. 102, "Certain Risk Disclosures". This statement is effective for fiscal years beginning after June 15, 2024, and will not have any effect on the District's financial reporting.

In April 2024, the Governmental Accounting Standards Board (GASB) issued Statement No. 103, "Financial Reporting Model Improvements". This statement is effective for fiscal years beginning after June 15, 2025, and will not have any effect on the District's financial reporting.

**NOTE 2 – INVESTMENTS**

As of June 30, 2024, the District had no investments.

**Interest Rate Risk.** The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

**Credit Risk.** New Jersey Statutes 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are Bonds of the United States of America or of the District or the local units in which the District is located; obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk.** The District places no limit on the amount the District may invest in any one issuer.

**NOTE 3 – CASH**

**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's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2024, \$0 of the District's bank balance of \$2,051,085.94 was exposed to custodial credit risk.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 4 – FIXED ASSETS**

Capital asset activity for the year ended June 30, 2024 was as follows:

|                                                     | <u>Balance<br/>June 30, 2023</u> | <u>Additions</u>    | <u>Disposals</u> | <u>Balance<br/>June 30, 2024</u> |
|-----------------------------------------------------|----------------------------------|---------------------|------------------|----------------------------------|
| <b>Governmental Activities:</b>                     |                                  |                     |                  |                                  |
| Capital assets that are not being depreciated:      |                                  |                     |                  |                                  |
| Land                                                | \$ 110,400.00                    |                     |                  | 110,400.00                       |
| Total capital assets not being depreciated          | <u>110,400.00</u>                | <u>-</u>            | <u>-</u>         | <u>110,400.00</u>                |
| Land Improvements                                   |                                  |                     |                  | -                                |
| Bldg and bldg improve                               | 8,328,708.47                     | 10,000.00           |                  | 8,338,708.47                     |
| Machinery & equipment                               | 625,625.12                       | 17,159.64           |                  | 642,784.76                       |
| Total at historical cost                            | <u>8,954,333.59</u>              | <u>27,159.64</u>    | <u>-</u>         | <u>8,981,493.23</u>              |
| Less accum depr for:                                |                                  |                     |                  |                                  |
| Land Improvements                                   |                                  |                     |                  | -                                |
| Bldg and improve                                    | (3,238,154.64)                   | (183,044.64)        |                  | (3,421,199.28)                   |
| Machinery & equipment                               | (548,680.97)                     | (33,253.91)         |                  | (581,934.88)                     |
| Total accum deprec                                  | <u>(3,786,835.61)</u>            | <u>(216,298.55)</u> | <u>-</u>         | <u>(4,003,134.16)</u>            |
| Total capital assets being depr, net of accum depr  | <u>5,167,497.98</u>              | <u>(189,138.91)</u> | <u>-</u>         | <u>4,978,359.07</u>              |
| <b>Governmental activities capital assets, net</b>  | <u>5,277,897.98</u>              | <u>(189,138.91)</u> | <u>-</u>         | <u>5,088,759.07</u>              |
| <b>Business-type activities:</b>                    |                                  |                     |                  |                                  |
| Equipment                                           | 16,704.74                        |                     |                  | 16,704.74                        |
| Less accum depr for:                                |                                  |                     |                  |                                  |
| Equipment                                           | (13,318.94)                      | (564.30)            |                  | (13,883.24)                      |
| <b>Business-type activities capital assets, net</b> | <u>\$ 3,385.80</u>               | <u>(564.30)</u>     | <u>-</u>         | <u>2,821.50</u>                  |

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
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Depreciation expense was charged to governmental functions as follows:

|                                        |                      |
|----------------------------------------|----------------------|
| Regular instruction                    | \$ 82,443.21         |
| Special education                      | 22,121.49            |
| Other special instruction              | 7,053.29             |
| Other Instruction                      | 2,005.60             |
| Student & instruction related services | 33,400.75            |
| School administrative expenses         | 5,741.20             |
| General and business administration    | 21,477.73            |
| Plant operations and maintenance       | 42,055.28            |
|                                        | <u>\$ 216,298.55</u> |

**NOTE 5 – GENERAL LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2024 was as follows:

|                          | Balance June 30,<br>2023 | Issued           | Retired           | Balance June 30,<br>2024 | Amounts Due<br>Within One<br>Year |
|--------------------------|--------------------------|------------------|-------------------|--------------------------|-----------------------------------|
| General Obligation Bonds | \$755,000.00             |                  | 95,000.00         | 660,000.00               | 95,000.00                         |
| Compensated Absences     | 54,193.68                | 10,404.30        | 25,558.65         | 39,039.33                |                                   |
| Lease Liability          | 9,264.00                 |                  | 4,632.00          | 4,632.00                 | 4,632.00                          |
| Net Pension Liability    | 396,454.00               | 14,107.00        |                   | 410,561.00               |                                   |
|                          | <u>\$1,214,911.68</u>    | <u>24,511.30</u> | <u>125,190.65</u> | <u>1,114,232.33</u>      | <u>99,632.00</u>                  |

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

On July 15, 2015 the District issued \$1,234,000 of School Bonds, due in annual installment through July 15, 2030, with variable interest rates between 3.00% and 3.250%. The balance remaining as of June 30, 2024 is \$660,000.

Debt Service requirements on serial bonds payable at June 30, 2024 are as follows:

| Fiscal Year Ending<br>June 30, | Principal         | Interest      | Total             |
|--------------------------------|-------------------|---------------|-------------------|
| 2025                           | \$ 95,000         | 19,491        | \$ 114,491        |
| 2026                           | 95,000            | 16,522        | 111,522           |
| 2027                           | 95,000            | 13,553        | 108,553           |
| 2028                           | 95,000            | 10,584        | 105,584           |
| 2029                           | 95,000            | 7,556         | 102,556           |
| 2030-2031                      | 185,000           | 5,931         | 190,931           |
|                                | <u>\$ 660,000</u> | <u>73,637</u> | <u>\$ 733,637</u> |

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
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**Lease Liability**

The District entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at present value of the future minimum lease payments as of the date of their inception. The District has determined the accumulated amortization to be immaterial to the governmental-wide financial statements and has elected to record the remaining payments in full.

The first agreement was executed in July 2021, to lease copiers in the school district. The term of the lease is 48 months and matures in June 2025. The remaining liability as of June 30, 2024, is \$4,632.00.

The future minimum lease obligations as of June 30, 2024, are as follows:

| Year Ending<br>June 30, | <u>Principal</u>   | <u>Interest</u> | <u>Total</u>    |
|-------------------------|--------------------|-----------------|-----------------|
| 2025                    | \$ 4,632.00        | -               | 4,632.00        |
|                         | <u>\$ 4,632.00</u> | <u>-</u>        | <u>4,632.00</u> |

**NOTE 6 – PENSION PLANS**

**Description of Plans**

All required employees of the District are covered by either the Public Employees' Retirement System or the Teacher's Pension and Annuity Fund cost-sharing multiple-employer defined benefit pension plans which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate.

The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <https://www.nj.gov/treasury/omb/publications/21fr/NJFRFY2022Complete.pdf>.

**Teachers' Pension and Annuity Fund**

The Teachers' Pension and Annuity Fund was established in January, 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.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
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*Public Employees' Retirement System*

The Public Employees' Retirement System was established in January, 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 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.

*Funding Policy*

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 7.50% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 7.50% and the PERS rate is 7.50% of covered payroll. The School District's contributions to TPAF for the years ending June 30, 2024, 2023 and 2022 were \$722,018, \$630,220, and \$607,980, respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for 2008. However, the contributions for 2011 and 2010 were not made by the State. The School District's contributions to PERS for the years ending June 30, 2024, 2023 and 2022 were \$37,884, \$33,128, and \$30,917, respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2024, 2023 and 2022, the State of New Jersey contributed \$154,427, \$131,074, and \$115,105, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$125,355.81, \$123,456.29 and \$116,337.77 during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB 27.

*Significant Legislation*

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Teachers' Pension and Annuity Fund (TPAF) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of  $\frac{1}{4}$  of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PERS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PERS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

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- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, and employer contributions to the retirement systems.

Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60<sup>th</sup> from 1/55<sup>th</sup>, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7<sup>th</sup> of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

**NOTE 7: PENSION LIABILITIES – PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)**

In 2012, the Governmental Accounting Standards Board issued GASB statement 68. This statement is effective for fiscal years beginning after June 15, 2014. This statement changes the method of reporting the District's pension liabilities. The following information describes the District's proportionate share of the statewide pension system's liabilities and expenses.

The following represents the District's pension liabilities as June 30, 2023:

**Public Employees' Retirement System**

The District has a liability of \$410,561 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022 that was rolled forward to June 30, 2023. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the District's proportion is 0.00283451010%, which is an increase of 7.90% from its proportion measured as of June 30, 2022.

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For the year ended June 30, 2023, the District recognized pension expense of \$6,131. 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<br>of Resources | Deferred Inflows<br>of Resources |
|-------------------------------------------------------------------------------------|-----------------------------------|----------------------------------|
| Differences between expected & actual experience                                    | \$ 3,925                          | (1,678)                          |
| Changes of assumptions                                                              | 902                               | (24,882)                         |
| Net difference between projected and actual earnings<br>on pension plan investments | 1,891                             |                                  |
| Changes in proportion                                                               | 41,392                            | (83,031)                         |
| Total                                                                               | <u>\$ 48,110</u>                  | <u>\$ (109,591)</u>              |

Amounts that would be reported as deferred outflows of resources and deferred inflows of resources related to pensions would be recognized in pension expense as follows:

| Year ended<br>June 30, |                    |
|------------------------|--------------------|
| 2025                   | \$ 89,403          |
| 2026                   | (14,082)           |
| 2027                   | (113,323)          |
| 2028                   | (21,192)           |
| 2029                   | (2,286)            |
| Total                  | <u>\$ (61,481)</u> |

**Actuarial Assumptions**

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following assumptions, applied to all periods in the measurement:

|                            |                                           |
|----------------------------|-------------------------------------------|
| Inflation rate             |                                           |
| Price                      | 2.75%                                     |
| Wage                       | 3.25%                                     |
| Salary increases:          | 2.75% – 6.55% (based on years of service) |
| Investment rate of return: | 7.00%                                     |

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disable 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



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with future improvement from the base year of 2010 on generational basis. Mortality improvement is based on Scale MP-2021.

The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

| Asset Class                       | Target<br>Allocation | Long-Term<br>Expected Real<br>Rate of Return |
|-----------------------------------|----------------------|----------------------------------------------|
| US equity                         | 28.00%               | 8.98%                                        |
| Non-U.S. developed markets equity | 12.75%               | 9.22%                                        |
| International small cap equity    | 1.25%                | 9.22%                                        |
| Emerging markets equity           | 5.50%                | 11.13%                                       |
| Private equity                    | 13.00%               | 12.50%                                       |
| Real estate                       | 8.00%                | 8.58%                                        |
| Real assets                       | 3.00%                | 8.40%                                        |
| High yield                        | 4.50%                | 6.97%                                        |
| Private Credit                    | 8.00%                | 9.20%                                        |
| Investment grade credit           | 7.00%                | 5.19%                                        |
| Cash equivalents                  | 2.00%                | 3.31%                                        |
| U.S. Treasuries                   | 4.00%                | 3.31%                                        |
| Risk mitigation strategies        | 3.00%                | 6.21%                                        |

*Discount Rate*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
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*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.*

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

|                                                                | 1%<br>Decrease<br>(6.00%) | Current Discount<br>Rate<br>(7.00%) | 1%<br>Increase<br>(8.00%) |
|----------------------------------------------------------------|---------------------------|-------------------------------------|---------------------------|
| District's proportionate share of<br>the net pension liability | \$ 495,075                | 410,561                             | 338,706                   |

*Pension plan fiduciary net position.*

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

**NOTE 8 – PENSION LIABILITIES - TEACHERS' PENSION AND ANNUITY FUND (TPAF)**

At June 30, 2023, the District liability for its proportionate share of the net pension liability which is considered a Special Funding Situation with the State of New Jersey is reported below.

The employer contributions for local participating employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 18:66-33. Therefore, 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 non-employer contributing entity. Since the local participating employers do not contribute directly to the plan, 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 non-employer 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 non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

|                                                                                           |                               |
|-------------------------------------------------------------------------------------------|-------------------------------|
| District's proportionate share of the net pension liability                               | \$ -                          |
| State's proportionate share of the net position liability<br>associated with the District | <u>6,143,409.00</u>           |
| Total                                                                                     | <u><u>\$ 6,143,409.00</u></u> |

The net pension liability was measured as of June 30, 2023 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2023, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2022.

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For the year ended June 30, 2023, the District recognized pension expense of \$150,926 and revenue of \$150,926 for support provided by the State.

*Actuarial assumptions.* The total pension liability in the June 30, 2023 actuarial valuation was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

|                           |                                           |
|---------------------------|-------------------------------------------|
| Inflation Rate            |                                           |
| Price                     | 2.75%                                     |
| Wage                      | 3.25%                                     |
| Salary increases          | 2.75% - 4.25% (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-Medan 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, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2018 to June 30, 2021.

***Long-Term Expected Rate of Return***

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2022 are summarized in the following table:

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(CONTINUED)**

| Asset Class                       | Target<br>Allocation | Long-Term<br>Expected Real<br>Rate of Return. |
|-----------------------------------|----------------------|-----------------------------------------------|
| US Equity                         | 28.00%               | 8.98%                                         |
| Non-U.S. Developed Markets Equity | 12.75%               | 9.22%                                         |
| International small cap equity    | 1.25%                | 9.22%                                         |
| Emerging Markets Equity           | 5.50%                | 11.13%                                        |
| Private Equity                    | 13.00%               | 12.50%                                        |
| Real Estate                       | 8.00%                | 8.58%                                         |
| Real Assets                       | 3.00%                | 8.40%                                         |
| High Yield                        | 4.50%                | 6.97%                                         |
| Private Credit                    | 8.00%                | 9.20%                                         |
| Investment Grade Credit           | 7.00%                | 5.19%                                         |
| Cash Equivalents                  | 2.00%                | 3.31%                                         |
| U.S. Treasuries                   | 4.00%                | 3.31%                                         |
| Risk Mitigation Strategies        | 3.00%                | 6.21%                                         |

*Discount rate.*

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments in determining the total pension liability.

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.*

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.0%) or 1-percentage point higher (8.0%) than the current rate:

|                                                                                        | 1%<br>Decrease<br>(6.0%) | Current Discount<br>Rate<br>(7.0%) | 1%<br>Increase<br>(8.0%) |
|----------------------------------------------------------------------------------------|--------------------------|------------------------------------|--------------------------|
| District's proportionate share of the net pension liability                            | \$ -                     | -                                  | -                        |
| State's proportionate share of the net position liability associated with the District | \$ 7,244,194.02          | 6,143,409.00                       | 5,216,286.38             |

*Pension plan fiduciary net position.*

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

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**Additional Information**

Collective balances of the local group at June 30, 2023 are as follows:

|                                |                  |
|--------------------------------|------------------|
| Deferred outflows of resources | \$ 2,413,548,676 |
| Deferred inflows of resources  | (14,741,373,312) |
| Net pension liability          | 51,109,961,824   |

Collective pension expense for the plan for the measurement period ended June 30, 2023 is \$1,255,623,033.

**NOTE 9. OTHER POST-RETIREMENT BENEFITS**

**General Information about the OPEB Plan**

**State Health Benefit State Retired Employees Plan:**

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

***Total OPEB Liability***

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

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
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Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in June 30, 2023 III-3.8 the NJ State ACFR on the Office of Management and Budget's Financial Publications webpage: [NJ OMB - Financial Publications](#)

Actuarial assumptions and other imputes. The total OPEB liability in the June 30, 2023, actuarial valuation reported by the State in the State's most recently issued ACFR was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. 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 and other inputs, applied to all periods included in the measurement, unless otherwise specified:

*Salary Increases*

| <u>TPAF/ABP</u>                          | <u>PERS</u>                              | <u>PFRS</u>                               |
|------------------------------------------|------------------------------------------|-------------------------------------------|
| 2.75% to 4.25%<br>based on service years | 2.75% to 6.55%<br>based on service years | 3.25% to 16.25%<br>based on service years |

*Mortality Rates*

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disabled retirees. Future disabled retirees was based on the Pub-2020 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the TPAF, PERS, and PFRS experience studies for the period July 1, 2018 to June 30, 2021.

100% of active members are considered to participate in the Plan upon retirement.

*Health Care Trend Assumptions*

For pre-Medicare medical benefits, the trend rate is initially 6.5% and decreases to a 4.5% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For HMO the trend is increasing to 17.4% in fiscal year 2026, and decreases to 4.5% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.5% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

*Discount Rate*

The discount rate used to measure the total OPEB liability was 3.65%. 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.

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

|                                                          |                                    |
|----------------------------------------------------------|------------------------------------|
| Balance at 6/30/23 (Based on 6/30/2022 measurement date) | \$ 50,646,262,966.00               |
| Changes for the year:                                    |                                    |
| Service cost                                             | 2,136,235,476.00                   |
| Interest                                                 | 1,844,113,951.00                   |
| Changes in Benefit Terms                                 | -                                  |
| Differences between Expected & Actual Experiences        | (980,424,863.00)                   |
| Changes in assumptions or other inputs                   | 105,539,463.00                     |
| Contributions: Member                                    | 47,258,104.00                      |
| Benefit payments                                         | <u>(1,437,516,858.00)</u>          |
| Net changes                                              | <u>1,715,205,273.00</u>            |
| Balance at 6/30/23 (Based on 6/30/2022 measurement date) | <u><u>\$ 52,361,468,239.00</u></u> |

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

The following presents the total OPEB liability as of June 20, 2023, respectively, calculated using a discount rate as disclosed above as well as what the total nonemployer OPEB would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

|                      | 1% Decrease<br>(2.65%) | Discount Rate<br>(3.65%) | 1% Increase<br>(4.65%) |
|----------------------|------------------------|--------------------------|------------------------|
| Total OPEB Liability | \$ 61,385,066,712.00   | \$ 52,361,668,239.00     | \$ 45,116,926,835.00   |

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates*

The following presents the total OPEB liability as of June 30, 2023, calculated using the healthcare trend rate as disclosed above as well as what the 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<br>Trend Rates | 1% Increase          |
|-------------------------------------------|----------------------|--------------------------------|----------------------|
| Total OPEB Liability<br>(School Retirees) | \$ 43,468,257,358.00 | \$ 52,361,668,239.00           | \$ 63,998,719,320.00 |

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

For the year ended June 30, 2023, the board of education recognized OPEB expense of (\$254,160) determined by the State as the total OPEB liability for benefits provided through a defined OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the 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 of resources. At June 30, 2023, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employees' OPEB from the following sources:

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|                                                    | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|----------------------------------------------------|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 7,639,717,639.00               | \$ (13,791,541,217.00)           |
| Changes in assumptions                             | 7,445,895,322.00                  | (14,449,948,556.00)              |
|                                                    | <u>\$ 15,085,612,961.00</u>       | <u>\$ (28,241,489,773.00)</u>    |

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

| Year Ended<br>June 30, |                               |
|------------------------|-------------------------------|
| 2024                   | \$ (2,611,225,301.00)         |
| 2025                   | (2,611,225,301.00)            |
| 2026                   | (2,269,523,460.00)            |
| 2027                   | (1,338,024,839.00)            |
| 2028                   | (273,877,609.00)              |
| Thereafter             | (4,052,000,302.00)            |
|                        | <u>\$ (13,155,876,812.00)</u> |

(Contributions made after June 30 are reported as deferred outflow of resources but are not amortized in the expense.)

Detailed information about the plan's fiduciary net position is available in the separately issued OPEB financial report.

**NOTE 10 – COMPENSATED ABSENCES**

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee and are capped based on the terms stated in the various contracts.

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

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



**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 11 – DEFERRED COMPENSATION**

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

**NOTE 12 – 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 and surety bonds. During the fiscal year ended June 30, 2024 the District did not incur claims in excess of their coverage and the amount of coverage did not significantly decrease.

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Contributory Method”.

**NOTE 13 – INTERFUND RECEIVABLES AND PAYABLES**

The following interfund balances remained on the balance sheet at June 30, 2024:

| <u>Fund</u>              | <u>Interfund<br/>Receivable</u> | <u>Interfund Payable</u> |
|--------------------------|---------------------------------|--------------------------|
| General Fund             | \$ 41,987.42                    |                          |
| Special Revenue Fund     |                                 | 16,550.52                |
| Debt Service Fund        | 1,299.76                        |                          |
| Playgroup Childcare Fund |                                 | 26,736.66                |
| Total                    | \$ <u>43,287.18</u>             | <u>43,287.18</u>         |

Interfunds were created throughout the year due to short term borrowings to cover cash flow needs in the various funds. It is anticipated that all interfunds will be liquidated during the fiscal year. All governmental fund interfunds are eliminated in the governmental-wide statements, except for Due From Agency, which is a Fiduciary Fund.

**NOTE 14 – ECONOMIC DEPENDENCY**

The District receives support from the federal government and from the state government. A significant reduction in the level of support, if this were to occur, would have an effect on the District’s programs and activities.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 15 – MAINTENANCE RESERVE ACCOUNT**

A maintenance reserve account was established by the City of Estell Manor School District for the accumulation of funds for use as required maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The activity of the Maintenance reserve for the July 1, 2023, to June 30, 2024 fiscal year is as follows:

|                                                |                      |
|------------------------------------------------|----------------------|
| Beginning Balance, July 1, 2023                | \$ 100,050.00        |
| Budgeted Increase - FY 2024                    | 20.00                |
| Excess Surplus Transfer by<br>Board Resolution |                      |
| Withdrawals:<br>Board Resolution               |                      |
|                                                | <hr/>                |
| Ending Balance, June 30, 2024                  | <u>\$ 100,070.00</u> |

**NOTE 16 – FUND BALANCE APPROPRIATED**

General Fund – Of the \$2,017,014.72 General Fund fund balance at June 30, 2024, \$15,729.79 is reserved for encumbrances; \$1,115,654.01 is reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$596,010.12 of the total reserve for excess surplus has been appropriated and also included as anticipated revenue for the year ending June 30, 2025); \$4,035.88 has been legally restricted and included as anticipated revenue for the year ending June 30, 2025; \$100,070.00 has been reserved in the Maintenance Reserve Account; \$500,020.00 has been reserved in the Capital Reserve Account; \$25,135.04 has been reserved for Payroll and \$256,370.00 is unreserved and undesignated.

**NOTE 17 – CALCULATION OF EXCESS SURPLUS**

In accordance with NJSA 18A:7F-7, as amended by P.L. 2004, C.73 (S1701), the designation for Reserved Fund Balance – Excess Surplus is a required calculation. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$1,115,654.01, of which \$596,010.12 has been appropriated and included as anticipated revenue for the year ended June 30, 2025.

**NOTE 18 – LITIGATION**

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse affect on the accompanying financial statements.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024  
(CONTINUED)**

**NOTE 19 – RIGHT TO USE ASSETS**

The district has recorded right to use assets as a result of implementing GASB 87. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability, plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place to lease into service. The District has determined the other charges and amortization to be immaterial to the government-wide financial statements and has elected to record the Right to Use Assets at their remaining liability payments.

|                          | <u>Beginning<br/>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending<br/>Balance</u> |
|--------------------------|------------------------------|------------------|------------------|---------------------------|
| Copiers                  | \$ 9,264.00                  |                  | 4,632.00         | 4,632.00                  |
| Right to use assets, net | \$ <u>9,264.00</u>           | <u>-</u>         | <u>4,632.00</u>  | <u>4,632.00</u>           |

**NOTE 20 – SUBSEQUENT EVENTS**

The District has evaluated events through November 27, 2024, the date on which the financial statements were available to be issued and no additional items were noted for disclosure.

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**Required Supplemental Information**  
**Part II**

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**BUDGETARY COMPARISON SCHEDULES**

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**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                                           | Original<br>Budget  | Budget<br>Transfers | Final<br>Budget     | Actual              | Variance<br>Under/(Over)<br>Final to Actual |
|---------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------------------------------|
| <b>REVENUES:</b>                                                          |                     |                     |                     |                     |                                             |
| Local Sources:                                                            |                     |                     |                     |                     |                                             |
| Local Tax Levy                                                            | \$ 2,764,779.00     | \$ -                | \$ 2,764,779.00     | \$ 2,764,779.00     | \$ -                                        |
| Interest                                                                  |                     |                     | -                   | 928.12              | 928.12                                      |
| Other Income                                                              | -                   |                     | -                   | 23,863.34           | 23,863.34                                   |
| <b>Total - Local Sources</b>                                              | <b>2,764,779.00</b> | <b>-</b>            | <b>2,764,779.00</b> | <b>2,789,570.46</b> | <b>24,791.46</b>                            |
| State Sources:                                                            |                     |                     |                     |                     |                                             |
| Categorical Special Education Aid                                         | 167,247.00          |                     | 167,247.00          | 167,247.00          | -                                           |
| Categorical Security Aid                                                  | 34,171.00           |                     | 34,171.00           | 34,171.00           | -                                           |
| Equalization Aid                                                          | 1,241,767.00        |                     | 1,241,767.00        | 1,241,767.00        | -                                           |
| School Choice Aid                                                         | 341,292.00          |                     | 341,292.00          | 341,292.00          | -                                           |
| Extraordinary Aid                                                         | 15,000.00           |                     | 15,000.00           | 11,367.00           | (3,633.00)                                  |
| Nonpublic Transportation Aid                                              | -                   |                     | -                   | 6,370.00            | 6,370.00                                    |
| On-Behalf TPAF Pension Contributions (non-budgeted)                       |                     |                     |                     | 567,406.00          | 567,406.00                                  |
| On-Behalf TPAF Post-Retirement Medical Contribution (non-budgeted)        |                     |                     |                     | 154,427.00          | 154,427.00                                  |
| On-Behalf TPAF Long-Term Disability Insurance Contribution (non-budgeted) |                     |                     |                     | 185.00              | 185.00                                      |
| Reimbursed TPAF Social Security Contributions (non-budgeted)              | -                   |                     |                     | 125,355.81          | 125,355.81                                  |
| <b>Total - State Sources</b>                                              | <b>1,799,477.00</b> | <b>-</b>            | <b>1,799,477.00</b> | <b>2,649,587.81</b> | <b>850,110.81</b>                           |
| <b>Total Revenues</b>                                                     | <b>4,564,256.00</b> | <b>-</b>            | <b>4,564,256.00</b> | <b>5,439,158.27</b> | <b>874,902.27</b>                           |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                               | Original<br>Budget | Budget<br>Transfers | Final<br>Budget | Actual     | Variance<br>Under/(Over)<br>Final to Actual |
|-----------------------------------------------|--------------------|---------------------|-----------------|------------|---------------------------------------------|
| <b>EXPENDITURES:</b>                          |                    |                     |                 |            |                                             |
| <b>Current Expense:</b>                       |                    |                     |                 |            |                                             |
| Regular Programs - Instruction:               |                    |                     |                 |            |                                             |
| Salaries of Teachers:                         |                    |                     |                 |            |                                             |
| Kindergarten                                  | 78,984.00          | -                   | 78,984.00       | 62,869.35  | 16,114.65                                   |
| Grades 1-5                                    | 534,847.00         | -                   | 534,847.00      | 422,559.88 | 112,287.12                                  |
| Grades 6-8                                    | 327,636.00         | -                   | 327,636.00      | 310,766.41 | 16,869.59                                   |
| Regular Programs - Home Instruction:          |                    |                     |                 |            |                                             |
| Salaries of Teachers                          | 7,500.00           | -                   | 7,500.00        | 7,500.00   | -                                           |
| Purchased Professional - Educational Services | 3,750.00           | (3,750.00)          | -               | -          | -                                           |
| Regular Programs - Undistributed Instruction: |                    |                     |                 |            |                                             |
| Other Salaries for Instruction                | 23,000.00          | -                   | 23,000.00       | 12,431.89  | 10,568.11                                   |
| Purchased Professional - Educational Services | 15,000.00          | 14,210.00           | 29,210.00       | 23,368.00  | 5,842.00                                    |
| Other Purchased Services                      | 15,000.00          | 69,332.00           | 84,332.00       | 69,627.19  | 14,704.81                                   |
| General Supplies                              | 49,959.00          | (2,103.81)          | 47,855.19       | 34,368.31  | 13,486.88                                   |
| Textbooks                                     | 7,854.00           | (5,679.00)          | 2,175.00        | -          | 2,175.00                                    |
| Total Regular Programs                        | 1,063,530.00       | 72,009.19           | 1,135,539.19    | 943,491.03 | 192,048.16                                  |
| Resource Room/Resource Center:                |                    |                     |                 |            |                                             |
| Salaries of Teachers                          | 166,986.00         | -                   | 166,986.00      | 157,829.94 | 9,156.06                                    |
| Other Salaries for Instruction                | 91,683.00          | -                   | 91,683.00       | 90,419.41  | 1,263.59                                    |
| Other Purchased Services                      | 1,000.00           | -                   | 1,000.00        | 49.95      | 950.05                                      |
| General Supplies                              | 1,000.00           | 3,861.98            | 4,861.98        | 4,861.98   | -                                           |
| Total Resource Room/Resource Center           | 260,669.00         | 3,861.98            | 264,530.98      | 253,161.28 | 11,369.70                                   |
| Total Special Education - Instruction         | 260,669.00         | 3,861.98            | 264,530.98      | 253,161.28 | 11,369.70                                   |
| Basic Skills/Remedial- Instruction            |                    |                     |                 |            |                                             |
| Salaries of Teachers                          | 83,629.00          | -                   | 83,629.00       | 80,718.75  | 2,910.25                                    |
| General Supplies                              | 1,000.00           | -                   | 1,000.00        | -          | 1,000.00                                    |
| Total Basic Skills/Remedial - Instruction     | 84,629.00          | -                   | 84,629.00       | 80,718.75  | 3,910.25                                    |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                                      | Original<br>Budget  | Budget<br>Transfers | Final<br>Budget     | Actual              | Variance<br>Under/(Over)<br>Final to Actual |
|----------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------------------------------|
| School Sponsored Cocurricular Activities - Instruction:              |                     |                     |                     |                     |                                             |
| Salaries                                                             | 10,720.00           | -                   | 10,720.00           | 10,720.00           | -                                           |
| Purchased Services                                                   | 1,000.00            | (539.40)            | 460.60              | -                   | 460.60                                      |
| <b>Total School Sponsored Cocurricular Activities - Instruction</b>  | <b>11,720.00</b>    | <b>(539.40)</b>     | <b>11,180.60</b>    | <b>10,720.00</b>    | <b>460.60</b>                               |
| School Sponsored Athletics - Instruction                             |                     |                     |                     |                     |                                             |
| Salaries                                                             | 8,000.00            | -                   | 8,000.00            | 5,201.86            | 2,798.14                                    |
| Purchased Services                                                   | 500.00              | 3,769.00            | 4,269.00            | 4,219.00            | 50.00                                       |
| Supplies and Materials                                               | 500.00              | 2,311.50            | 2,811.50            | 2,811.50            | -                                           |
| <b>Total School Sponsored Athletics - Instruction</b>                | <b>9,000.00</b>     | <b>6,080.50</b>     | <b>15,080.50</b>    | <b>12,232.36</b>    | <b>2,848.14</b>                             |
| <b>Total Instruction</b>                                             | <b>1,429,548.00</b> | <b>81,412.27</b>    | <b>1,510,960.27</b> | <b>1,300,323.42</b> | <b>210,636.85</b>                           |
| Undistributed Expenditures - Instruction:                            |                     |                     |                     |                     |                                             |
| Tuition to Other LEAs within the State - Regular                     | 727,165.00          | -                   | 727,165.00          | 727,165.00          | -                                           |
| Tuition to Other LEAs within the State - Special                     | -                   | 5,000.00            | 5,000.00            | 5,000.00            | -                                           |
| Tuition to County Voc. School District - Regular                     | 41,013.00           | -                   | 41,013.00           | 41,013.00           | -                                           |
| Tuition to County Voc. School District - Special                     | 15,000.00           | -                   | 15,000.00           | 11,727.70           | 3,272.30                                    |
| Tuition to CSSD & Regional Day Schools                               | 144,892.00          | (64,744.45)         | 80,147.55           | 65,424.80           | 14,722.75                                   |
| <b>Total Undistributed Expenditures - Instruction</b>                | <b>928,070.00</b>   | <b>(59,744.45)</b>  | <b>868,325.55</b>   | <b>850,330.50</b>   | <b>17,995.05</b>                            |
| Undistributed Expenditures - Attendance and Social Work:             |                     |                     |                     |                     |                                             |
| Salaries                                                             | 48,135.00           | 8,018.00            | 56,153.00           | 56,152.75           | 0.25                                        |
| Purchased Professional & Technical Services                          |                     | 1,588.99            | 1,588.99            | -                   | 1,588.99                                    |
| Other Purchased Services (400-500 series)                            | 12,000.00           | 2,105.22            | 14,105.22           | 14,105.22           | -                                           |
| <b>Total Undistributed Expenditures - Attendance and Social Work</b> | <b>60,135.00</b>    | <b>11,712.21</b>    | <b>71,847.21</b>    | <b>70,257.97</b>    | <b>1,589.24</b>                             |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                                            | Original<br>Budget | Budget<br>Transfers | Final<br>Budget | Actual    | Variance<br>Under/(Over)<br>Final to Actual |
|----------------------------------------------------------------------------|--------------------|---------------------|-----------------|-----------|---------------------------------------------|
| Undistributed Expenditures - Health Services:                              |                    |                     |                 |           |                                             |
| Salaries                                                                   | 85,937.00          | (8,018.00)          | 77,919.00       | 68,914.71 | 9,004.29                                    |
| Purchased Professional and Technical Services                              | 600.00             | 2,446.00            | 3,046.00        | 3,046.00  | -                                           |
| Other Purchased Services (400-500 series)                                  | 1,500.00           | (364.00)            | 1,136.00        | 110.00    | 1,026.00                                    |
| Supplies and Materials                                                     | 5,500.00           | (3,719.71)          | 1,780.29        | 1,280.29  | 500.00                                      |
| Total Undistributed Expenditures - Health Services                         | 93,537.00          | (9,655.71)          | 83,881.29       | 73,351.00 | 10,530.29                                   |
| Undistributed Expenditures - Speech, OT, PT and Related Services:          |                    |                     |                 |           |                                             |
| Purchased Prof. - Educational Services                                     | 60,000.00          | 8,068.42            | 68,068.42       | 52,533.60 | 15,534.82                                   |
| Supplies and Materials                                                     | 400.00             | -                   | 400.00          | -         | 400.00                                      |
| Total Undistributed Expenditures - Speech, OT, PT and Related Services:    | 60,400.00          | 8,068.42            | 68,468.42       | 52,533.60 | 15,934.82                                   |
| Undistributed Expenditures - Other Support Services - Extra Services       |                    |                     |                 |           |                                             |
| Purchased Professional-Educational Services                                | 25,000.00          | (7,925.58)          | 17,074.42       | 17,074.42 | -                                           |
| Total Undistributed Expenditures - Other Support Services - Extra Services | 25,000.00          | (7,925.58)          | 17,074.42       | 17,074.42 | -                                           |
| Undistributed Expenditures - Guidance                                      |                    |                     |                 |           |                                             |
| Salaries of Other Professional Staff                                       | 65,246.00          | -                   | 65,246.00       | 48,388.99 | 16,857.01                                   |
| Supplies and Materials                                                     | 500.00             | -                   | 500.00          | 167.34    | 332.66                                      |
| Total Undistributed Services - Guidance                                    | 65,746.00          | -                   | 65,746.00       | 48,556.33 | 17,189.67                                   |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                                                | Original<br>Budget | Budget<br>Transfers | Final<br>Budget | Actual     | Variance<br>Under/(Over)<br>Final to Actual |
|--------------------------------------------------------------------------------|--------------------|---------------------|-----------------|------------|---------------------------------------------|
| Undistributed Expenditures - Child Study Teams                                 |                    |                     |                 |            |                                             |
| Salaries of Other Professional Staff                                           | 20,522.00          | -                   | 20,522.00       | 19,998.58  | 523.42                                      |
| Salaries of Secretarial and Clerical Assistants                                | 21,250.00          | -                   | 21,250.00       | 19,338.53  | 1,911.47                                    |
| Purchased Professional - Educational Services                                  | 30,000.00          | (26,639.73)         | 3,360.27        | -          | 3,360.27                                    |
| Other Purchased Professional and Technical Services                            | 11,180.00          | (8,260.00)          | 2,920.00        | -          | 2,920.00                                    |
| Total Undistributed Expenditures - Child Study Teams                           | 82,952.00          | (34,899.73)         | 48,052.27       | 39,337.11  | 8,715.16                                    |
| Undistributed Expenditures - Improvement of Instruction Services:              |                    |                     |                 |            |                                             |
| Salaries of Supervisor of Instruction                                          | 77,657.00          | -                   | 77,657.00       | 75,769.68  | 1,887.32                                    |
| Total Undistributed Expenditures - Improv. of Instr. Services                  | 77,657.00          | -                   | 77,657.00       | 75,769.68  | 1,887.32                                    |
| Undistributed Expenditures - Educational Media Services - School Library       |                    |                     |                 |            |                                             |
| Purchased Professional and Technical Services                                  | 28,000.00          | -                   | 28,000.00       | 896.32     | 27,103.68                                   |
| Other Purchased Services (400-500 series)                                      | 2,776.00           | 351.25              | 3,127.25        | 3,127.25   | -                                           |
| Supplies and Materials                                                         | 912.00             | (912.00)            |                 | -          | -                                           |
| Total Undistributed Expenditures - Educational Media Services - School Library | 31,688.00          | (560.75)            | 31,127.25       | 4,023.57   | 27,103.68                                   |
| Undistributed Expenditures - Instructional Staff Training Services             |                    |                     |                 |            |                                             |
| Purchased Professional - Educational Services                                  | 4,500.00           | (25.00)             | 4,475.00        | -          | 4,475.00                                    |
| Other Purchased Services (400-500 series)                                      | 1,759.00           | 1,828.00            | 3,587.00        | 1,338.99   | 2,248.01                                    |
| Total Undistributed Expenditures - Instructional Staff Training Services       | 6,259.00           | 1,803.00            | 8,062.00        | 1,338.99   | 6,723.01                                    |
| Undistributed Expenditures - Support Services - Gen. Admin.:                   |                    |                     |                 |            |                                             |
| Salaries                                                                       | 87,819.00          | (125.65)            | 87,693.35       | 83,981.08  | 3,712.27                                    |
| Legal Services                                                                 | 14,000.00          | (1,708.80)          | 12,291.20       | 6,704.41   | 5,586.79                                    |
| Audit Fees                                                                     | 16,500.00          | 500.00              | 17,000.00       | 17,000.00  | -                                           |
| Other Purchased Professional Services                                          |                    | 6,500.00            | 6,500.00        | 6,500.00   | -                                           |
| Communications/Telephone                                                       | 23,500.00          | (5,921.56)          | 17,578.44       | 16,738.13  | 840.31                                      |
| BOE Other Purchased Services                                                   |                    | 2,022.67            | 2,022.67        | 847.67     | 1,175.00                                    |
| Misc Purchased Services (400-500)                                              | 2,976.00           | 1,558.80            | 4,534.80        | 4,534.80   | -                                           |
| General Supplies                                                               | 1,500.00           | (1,225.00)          | 275.00          | 79.50      | 195.50                                      |
| BOE Membership Dues and Fees                                                   | 7,000.00           | 7,457.33            | 14,457.33       | 12,457.33  | 2,000.00                                    |
| Total Undistributed Expenditures - Support Services - Gen. Admin.              | 153,295.00         | 9,057.79            | 162,352.79      | 148,842.92 | 13,509.87                                   |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                                               | Original<br>Budget | Budget<br>Transfers | Final<br>Budget | Actual     | Variance<br>Under/(Over)<br>Final to Actual |
|-------------------------------------------------------------------------------|--------------------|---------------------|-----------------|------------|---------------------------------------------|
| Undistributed Expenditures - Support Serv. - School Admin.:                   |                    |                     |                 |            |                                             |
| Salaries of Principals/Assistant Principals                                   | 73,050.00          | -                   | 73,050.00       | 61,178.08  | 11,871.92                                   |
| Supplies and Materials                                                        | 1,500.00           | (185.00)            | 1,315.00        | 250.00     | 1,065.00                                    |
| Other Objects                                                                 | 4,090.00           | 185.00              | 4,275.00        | 4,275.00   | -                                           |
| Total Undistributed Expenditures - Support Serv. - School Admin.              | 78,640.00          | -                   | 78,640.00       | 65,703.08  | 12,936.92                                   |
| Undistributed Expenditures - Central Services                                 |                    |                     |                 |            |                                             |
| Salaries                                                                      | 107,162.00         | -                   | 107,162.00      | 86,868.02  | 20,293.98                                   |
| Purchased Professional Service                                                | -                  | 1,350.00            | 1,350.00        | 1,350.00   | -                                           |
| Purchased Technical Services                                                  | 6,580.00           | 1,653.02            | 8,233.02        | 8,233.02   | -                                           |
| Supplies and Materials                                                        | 490.00             | 10.00               | 500.00          | 500.00     | -                                           |
| Total Undistributed Expenditures - Central Services                           | 114,232.00         | 3,013.02            | 117,245.02      | 96,951.04  | 20,293.98                                   |
| Undistributed Expenditures - Required Maintenance for School Facilities       |                    |                     |                 |            |                                             |
| Security Officer                                                              | -                  | 58,000.00           | 58,000.00       | 56,047.50  | 1,952.50                                    |
| Salaries                                                                      | 64,000.00          | -                   | 64,000.00       | 64,000.00  | -                                           |
| Cleaning Repairs and Maintenance Services                                     | 37,915.00          | 5,589.14            | 43,504.14       | 39,698.11  | 3,806.03                                    |
| General Supplies                                                              | 10,212.00          | (3,769.00)          | 6,443.00        | 6,443.00   | -                                           |
| Other Objects                                                                 | -                  | 2,377.58            | 2,377.58        | 2,377.58   | -                                           |
| Total Undistributed Expenditures - Required Maintenance for School Facilities | 112,127.00         | 62,197.72           | 174,324.72      | 168,566.19 | 5,758.53                                    |
| Undistributed Expenditures - Custodial Services                               |                    |                     |                 |            |                                             |
| Salaries                                                                      | 107,062.00         | (6,794.71)          | 100,267.29      | 100,267.29 | -                                           |
| Purchased Professional and Technical Services                                 | 35,000.00          | (34,511.00)         | 489.00          | 489.00     | -                                           |
| Cleaning, Repair and Maintenance Services                                     | 25,000.00          | 9,686.94            | 34,686.94       | 34,001.94  | 685.00                                      |
| Lease Purchase Payment - ESIP                                                 |                    | 12,750.00           | 12,750.00       | 12,750.00  | -                                           |
| Insurance                                                                     | 30,000.00          | 663.00              | 30,663.00       | 30,663.00  | -                                           |
| General Supplies                                                              | 15,000.00          | 12,516.35           | 27,516.35       | 26,416.71  | 1,099.64                                    |
| Energy (Electricity)                                                          | 70,000.00          | 23,127.01           | 93,127.01       | 93,127.01  | -                                           |
| Energy (Oil)                                                                  | 26,609.00          | (11,603.87)         | 15,005.13       | 15,005.13  | -                                           |
| Other Objects                                                                 | 500.00             | (139.30)            | 360.70          | -          | 360.70                                      |
| Total Undistributed Expenditures - Custodial Services                         | 309,171.00         | 5,694.42            | 314,865.42      | 312,720.08 | 2,145.34                                    |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                                           | Original<br>Budget  | Budget<br>Transfers | Final<br>Budget     | Actual              | Variance<br>Under/(Over)<br>Final to Actual |
|---------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------------------------------|
| Undistributed Expenditures - Care and Upkeep of Grounds                   | 10,000.00           | -                   | 10,000.00           | -                   | 10,000.00                                   |
| Purchased Professional and Technical Services                             |                     |                     |                     |                     |                                             |
| Total Undistributed Expenditures - Care and Upkeep of Grounds             | 10,000.00           | -                   | 10,000.00           | -                   | 10,000.00                                   |
| Total Undistributed Expen - Oper & Main of Plant Serv                     | 431,298.00          | 67,892.14           | 499,190.14          | 481,286.27          | 17,903.87                                   |
| Undistributed Expenditures - Student Transportation Services:             |                     |                     |                     |                     |                                             |
| Salaries for Pupil Transp. (Between Home and School)-Regular              | 69,812.00           | (2,938.50)          | 66,873.50           | 62,884.22           | 3,989.28                                    |
| Contracted Services - Aid in Lieu of Payments Non Public                  | 11,500.00           | 6,719.25            | 18,219.25           | 18,219.25           | -                                           |
| Contracted Services - Aid in Lieu of Payments Charter School              | 2,200.00            | 130.00              | 2,330.00            | 2,330.00            | -                                           |
| Contracted Services - Aid in Lieu of Payments School Choice               | 18,050.00           | (5,627.73)          | 12,422.27           | 9,320.00            | 3,102.27                                    |
| Contracted Services - (Oth than Between Home and School) - Vendors        | 5,000.00            | 2,938.50            | 7,938.50            | 7,444.50            | 494.00                                      |
| Contracted Services (Between Home and School) - Joint Agreements          | 246,816.00          | 43,386.81           | 290,202.81          | 290,177.58          | 25.23                                       |
| Contracted Services (Special Ed Students) - Vendors                       | 19,919.00           | (669.12)            | 19,249.88           | 9,978.96            | 9,270.92                                    |
| Contracted Services (Special Ed Students) - Joint Agreements              | 112,500.00          | (43,386.81)         | 69,113.19           | 40,826.29           | 28,286.90                                   |
| Total Undistributed Expenditures - Student Transportation Serv.           | 485,797.00          | 552.40              | 486,349.40          | 441,180.80          | 45,168.60                                   |
| Unallocated Benefits:                                                     |                     |                     |                     |                     |                                             |
| Social Security Contributions                                             | 45,000.00           | 60,335.34           | 105,335.34          | 79,988.91           | 25,346.43                                   |
| Other Retirement Contributions - PERS                                     | 38,103.00           | (219.00)            | 37,884.00           | 37,884.00           | -                                           |
| Unemployment Compensation                                                 | 7,800.00            | (7,799.90)          | 0.10                | -                   | 0.10                                        |
| Health Benefits                                                           | 622,590.00          | (125,165.47)        | 497,424.53          | 464,791.25          | 32,633.28                                   |
| Tuition Reimbursements                                                    | 15,000.00           | -                   | 15,000.00           | 4,999.56            | 10,000.44                                   |
| Total Unallocated Benefits                                                | 728,493.00          | (72,849.03)         | 655,643.97          | 587,663.72          | 67,980.25                                   |
| On-behalf TPAF Pension Contributions (non-budgeted)                       |                     |                     |                     |                     |                                             |
| On-Behalf TPAF Post-Retirement Medical Contribution (non-budgeted)        |                     |                     |                     | 567,406.00          | (567,406.00)                                |
| On-Behalf TPAF Long-Term Disability Insurance Contribution (non-budgeted) |                     |                     |                     | 154,427.00          | (154,427.00)                                |
| Reimbursed TPAF Social Security Contributions (non-budgeted)              |                     |                     |                     | 185.00              | (185.00)                                    |
|                                                                           |                     |                     |                     | 125,355.81          | (125,355.81)                                |
| Total On-behalf Contributions                                             | -                   | -                   | -                   | 847,373.81          | (847,373.81)                                |
| Total Undistributed Expenditures                                          | 3,423,199.00        | (83,536.27)         | 3,339,662.73        | 3,901,574.81        | (561,912.08)                                |
| <b>Total Current Expense</b>                                              | <b>4,852,747.00</b> | <b>(2,124.00)</b>   | <b>4,850,623.00</b> | <b>5,201,898.23</b> | <b>(351,275.23)</b>                         |

**City of Estell Manor Board of Education**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2024**

|                                                              | Original<br>Budget     | Budget<br>Transfers | Final<br>Budget        | Actual                 | Variance<br>Under/(Over)<br>Final to Actual |
|--------------------------------------------------------------|------------------------|---------------------|------------------------|------------------------|---------------------------------------------|
| <b>Capital Outlay:</b>                                       |                        |                     |                        |                        |                                             |
| Facilities Acquisition and Construction Services             | 14,871.00              | -                   | 14,871.00              | 14,871.00              | -                                           |
| Assessment for Debt Service on SDA Funding                   | 14,871.00              | -                   | 14,871.00              | 14,871.00              | -                                           |
| Total Facilities Acquisition and Construction Services       | <b>14,871.00</b>       | -                   | <b>14,871.00</b>       | <b>14,871.00</b>       | -                                           |
| <b>Total Capital Outlay</b>                                  |                        |                     |                        |                        |                                             |
| Transfers to Charter Schools                                 | 64,837.00              | 2,124.00            | 66,961.00              | 48,911.83              | 18,049.17                                   |
| <b>Total Expenditures</b>                                    | <b>4,932,455.00</b>    | <b>0.00</b>         | <b>4,932,455.00</b>    | <b>5,265,681.06</b>    | <b>(333,226.06)</b>                         |
| Excess (Deficiency) of Revenues Over (Under) Expenditures    | (368,199.00)           | (0.00)              | (368,199.00)           | 173,477.21             | 541,676.21                                  |
| Fund Balances, July 1                                        | 1,843,537.51           | -                   | 1,843,537.51           | 1,843,537.51           | -                                           |
| Fund Balances, June 30                                       | <u>\$ 1,475,338.51</u> | <u>\$ (0.00)</u>    | <u>\$ 1,475,338.51</u> | <u>\$ 2,017,014.72</u> | <u>\$ 541,676.21</u>                        |
| <b>Recapitulation of Fund Balance:</b>                       |                        |                     |                        |                        |                                             |
| <b>Restricted Fund Balance:</b>                              |                        |                     |                        |                        |                                             |
| Reserve for Excess Surplus                                   |                        |                     |                        | \$ 519,643.89          |                                             |
| Excess Surplus-Designated for Subsequent Year's Expenditures |                        |                     |                        | 596,010.12             |                                             |
| Capital Reserve                                              |                        |                     |                        | 500,020.00             |                                             |
| Maintenance Reserve                                          |                        |                     |                        | 100,070.00             |                                             |
| Payroll Reserves                                             |                        |                     |                        | 25,135.04              |                                             |
| <b>Assigned Fund Balance:</b>                                |                        |                     |                        |                        |                                             |
| Designated for Subsequent Year's Expenditures                |                        |                     |                        | 4,035.88               |                                             |
| Reserve for Encumbrances                                     |                        |                     |                        | 15,729.79              |                                             |
| <b>Unassigned Fund Balance</b>                               |                        |                     |                        | <u>256,370.00</u>      |                                             |
|                                                              |                        |                     |                        | 2,017,014.72           |                                             |
| Reconciliation to Governmental Funds Statements (GAAP)       |                        |                     |                        |                        |                                             |
| Last State Aid Payment Not Recognized on GAAP Basis          |                        |                     |                        | <u>(164,098.00)</u>    |                                             |
| Fund Balance per Governmental Funds (GAAP)                   |                        |                     |                        | <u>\$ 1,852,916.72</u> |                                             |



**City of Estell Manor School District  
Budgetary Comparison Schedule  
Special Revenue Fund  
For the Fiscal Year Ended June 30, 2024**

|                                                               | Original<br>Budget | Budget<br>Transfers/Adjustments | Final<br>Budget   | Actual            | Variance<br>Under/(Over)<br>Final to Actual |
|---------------------------------------------------------------|--------------------|---------------------------------|-------------------|-------------------|---------------------------------------------|
| <b>REVENUES:</b>                                              |                    |                                 |                   |                   |                                             |
| Local Sources:                                                |                    |                                 |                   |                   |                                             |
| Revenue from Local Sources                                    | \$ -               | -                               | -                 | 29,964.50         | 29,964.50                                   |
| Total - Local Sources                                         | -                  | -                               | -                 | 29,964.50         | 29,964.50                                   |
| State Sources:                                                |                    |                                 |                   |                   |                                             |
| Preschool Education Expansion Aid                             | 342,864.00         | -                               | 342,864.00        | 329,229.48        | (13,634.52)                                 |
| Federal Sources:                                              |                    |                                 |                   |                   |                                             |
| Title I                                                       | 342,864.00         | -                               | 342,864.00        | 329,229.48        | (13,634.52)                                 |
| Title II                                                      | 42,308.00          | 30,680.00                       | 72,988.00         | 72,988.00         | -                                           |
| Title IV                                                      | 13,157.00          | 4,703.00                        | 17,860.00         | 7,554.00          | (10,306.00)                                 |
| I.D.E.A., Part B                                              | 8,500.00           | 1,500.00                        | 10,000.00         | 10,000.00         | -                                           |
| I.D.E.A., Preschool                                           | 53,117.00          | 15,426.00                       | 68,543.00         | 68,543.00         | -                                           |
| ESSER                                                         | 1,912.00           | 1,912.00                        | 1,912.00          | 1,912.00          | -                                           |
| Other                                                         | 239,767.00         | -                               | 239,767.00        | 199,043.35        | (40,723.65)                                 |
|                                                               |                    | 32,199.00                       | 32,199.00         | 32,199.00         | -                                           |
| Total - Federal Sources                                       | 356,849.00         | 86,420.00                       | 443,269.00        | 392,239.35        | (51,029.65)                                 |
| <b>Total Revenues</b>                                         | <b>699,713.00</b>  | <b>86,420.00</b>                | <b>786,133.00</b> | <b>751,433.33</b> | <b>(34,699.67)</b>                          |
| <b>EXPENDITURES:</b>                                          |                    |                                 |                   |                   |                                             |
| Instruction                                                   |                    |                                 |                   |                   |                                             |
| Salaries of Teachers                                          | 298,496.00         | (18,533.70)                     | 279,962.30        | 248,655.65        | 31,306.65                                   |
| Other Salaries for Instruction                                | 27,280.00          | -                               | 27,280.00         | 27,280.00         | -                                           |
| Purchased Professional and Technical Services                 | 47,500.00          | -                               | 47,500.00         | 38,083.00         | 9,417.00                                    |
| Tuition                                                       | 156,283.00         | 28,460.00                       | 184,743.00        | 177,044.43        | 7,698.57                                    |
| Other Purchased Services (400-500 series)                     | 14,157.00          | 3,703.00                        | 17,860.00         | 7,554.00          | 10,306.00                                   |
| General Supplies                                              | 18,500.00          | 32,007.75                       | 50,507.75         | 50,484.30         | 23.45                                       |
| Other Objects                                                 | 500.00             | (500.00)                        | -                 | -                 | -                                           |
| <b>Total Instruction</b>                                      | <b>562,116.00</b>  | <b>45,137.05</b>                | <b>607,853.05</b> | <b>549,101.38</b> | <b>58,751.67</b>                            |
| Support Services                                              |                    |                                 |                   |                   |                                             |
| Salaries of teachers                                          | -                  | -                               | -                 | -                 | -                                           |
| Salaries of Supervisors of Instruction                        | 10,000.00          | -                               | 10,000.00         | 10,000.00         | -                                           |
| Salaries of Program Directors                                 | 14,000.00          | -                               | 14,000.00         | 14,000.00         | -                                           |
| Salaries of Secretary and Clerical Assistants                 | 5,000.00           | -                               | 5,000.00          | 5,000.00          | -                                           |
| Other Salaries                                                | 7,000.00           | -                               | 7,000.00          | 7,000.00          | -                                           |
| Salaries of Community Parent Involvement Specialist           | 2,000.00           | -                               | 2,000.00          | 2,000.00          | -                                           |
| Personal Services - Employee Benefits                         | 89,500.00          | 20,992.95                       | 110,492.95        | 110,492.95        | -                                           |
| Purchased Professional and Technical Services                 | 5,000.00           | 24,787.00                       | 29,787.00         | 23,874.50         | 5,912.50                                    |
| Supplies and Materials                                        | 500.00             | (500.00)                        | -                 | -                 | -                                           |
| Other Objects                                                 | 500.00             | (500.00)                        | -                 | -                 | -                                           |
| Student activities                                            | -                  | -                               | -                 | 21,732.11         | (21,732.11)                                 |
| Scholarship                                                   | -                  | -                               | -                 | 1,252.08          | (1,252.08)                                  |
| <b>Total support services</b>                                 | <b>133,500.00</b>  | <b>44,779.95</b>                | <b>178,279.95</b> | <b>195,351.64</b> | <b>(17,071.69)</b>                          |
| <b>Facilities acquisition and construction services:</b>      |                    |                                 |                   |                   |                                             |
| Instructional Equipment                                       | 3,497.00           | (3,497.00)                      | -                 | -                 | -                                           |
| <b>Total facilities acquisition and construction services</b> | <b>3,497.00</b>    | <b>(3,497.00)</b>               | <b>-</b>          | <b>-</b>          | <b>-</b>                                    |
| <b>Total expenditures</b>                                     | <b>699,713.00</b>  | <b>86,420.00</b>                | <b>786,133.00</b> | <b>744,453.02</b> | <b>41,679.98</b>                            |
| Excess (Deficiency) of Revenues Over (Under) Expenditures     | \$ -               | -                               | -                 | 6,980.31          | 6,980.31                                    |
| Fund Balance, July 1                                          |                    |                                 |                   | \$ 41,366.73      |                                             |
| Fund Balance, June 30                                         |                    |                                 |                   | \$ 48,347.04      |                                             |

City of Estell Manor School District  
Required Supplementary Information  
Budgetary Comparison Schedule  
Note to Required Supplementary Information  
For the Fiscal Year Ended June 30, 2024

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

|                                                                                                                                                                                                                  |          | <u>General<br/>Fund</u> | <u>Special<br/>Revenue</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-------------------------|----------------------------|
| <b>Sources/inflows of resources</b>                                                                                                                                                                              |          |                         |                            |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule                                                                                                                                | C-1; C-2 | \$ 5,439,158.27         | 751,433.33                 |
| Difference - budget to GAAP:                                                                                                                                                                                     |          |                         |                            |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized                                                                    |          |                         |                            |
| Prior Year                                                                                                                                                                                                       |          |                         | -                          |
| Current Year                                                                                                                                                                                                     |          |                         | -                          |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.                                                                                              |          |                         |                            |
|                                                                                                                                                                                                                  |          | 171,364.00              | 26,841.00                  |
| State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.                                                                                              |          |                         |                            |
|                                                                                                                                                                                                                  |          | <u>(164,098.00)</u>     | <u>(34,135.00)</u>         |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds                                                                                          | B-2      | <u>5,446,424.27</u>     | <u>744,139.33</u>          |
| <b>Uses/outflows of resources</b>                                                                                                                                                                                |          |                         |                            |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule                                                                                                                         | C-1; C-2 | 5,265,681.06            | 744,453.02                 |
| 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 |          |                         |                            |
| Prior Year                                                                                                                                                                                                       |          |                         | -                          |
| Current Year                                                                                                                                                                                                     |          |                         | -                          |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds                                                                                     | B-2      | <u>\$ 5,265,681.06</u>  | <u>744,453.02</u>          |

**Required Supplemental Information**  
**Part III**

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**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

|                                                                                                                     | 2023           | 2022           | 2021           | 2020           | 2019           | 2018          | 2017          | 2016          | 2015          | 2014          |
|---------------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|
| District's proportion of the net pension liability (asset)                                                          | 0.00283451010% | 0.00262702130% | 0.00262356540% | 0.00300251500% | 0.00396502236% | 0.0025170987% | 0.0025457873% | 0.0025769835% | 0.0035307508% | 0.0035307508% |
| District's proportionate of the net pension liability (asset)                                                       | 410,561.00     | 396,454.00     | 310,801.00     | 489,632.00     | 714,437.00     | 495,604.00    | 599,881.00    | 899,997.00    | 731,459.00    | 661,053.00    |
| District's covered payroll                                                                                          | 228,163.00     | 209,234.00     | 225,444.00     | 211,019.00     | 290,045.00     | 268,434.00    | Not Available | Not Available | Not Available | Not Available |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 179.94%        | 189.48%        | 137.86%        | 232.03%        | 246.32%        | 184.63%       |               |               |               |               |
| Plan fiduciary net position as a percentage of the total pension liability                                          | 65.23%         | 62.91%         | 70.33%         | 58.32%         | 56.27%         | 53.60%        | 48.10%        | 40.14%        | 47.93%        | 52.08%        |

Source: GASB 68 report on Public Employees' Retirement System; District records

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Schedule of District Contributions**  
**Public Employee Retirement System**  
**Last Ten Fiscal Years**

|                                                                      | 2023          | 2022       | 2021       | 2020       | 2019       | 2018       | 2017          | 2016          | 2015          | 2014          |
|----------------------------------------------------------------------|---------------|------------|------------|------------|------------|------------|---------------|---------------|---------------|---------------|
| Contractually required contribution                                  | \$ 37,884.00  | 33,128.00  | 30,725.00  | 32,846.00  | 38,568.00  | 25,037.00  | 23,873.00     | 26,996.00     | 50,005.00     | 29,107.00     |
| Contributions in relation to the contractually required contribution | 37,884.00     | 33,128.00  | 30,725.00  | 32,846.00  | 38,568.00  | 25,037.00  | 23,873.00     | 26,996.00     | 50,005.00     | 29,107.00     |
| Contribution deficiency (excess)                                     | -             | -          | -          | -          | -          | -          | -             | -             | -             | -             |
| District's covered-employee payroll                                  | \$ 228,163.00 | 209,234.00 | 225,444.00 | 211,019.00 | 290,045.00 | 268,434.00 | Not Available | Not Available | Not Available | Not Available |
| Contributions as a percentage of covered-employee payroll            | 17%           | 16%        | 14%        | 16%        | 13%        | 9.33%      | 0.00%         | 0.00%         | 0.00%         | 0.00%         |

Source: GASB 68 report on Public Employees' Retirement System; District records

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**Teachers' Pension and Annuity Fund**  
**Last Ten Fiscal Years**

|                                                                                                                     | 2023                   | 2022                | 2021                | 2020                | 2019                | 2018                | 2017                | 2016                | 2015                | 2014                |
|---------------------------------------------------------------------------------------------------------------------|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| District's proportion of the net pension liability (asset)                                                          | 0.00%                  | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               |
| District's proportionate of the net pension liability (asset)                                                       | \$ -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| State's proportionate share of the net pension liability (asset) associated with the District                       | \$ 6,143,409.00        | 6,088,653.00        | 5,815,698.00        | 7,787,609.00        | 7,766,283.00        | 8,166,692.00        | 7,988,274.00        | 9,980,935.00        | 8,194,839.00        | 6,450,153.00        |
| Total                                                                                                               | <u>\$ 6,143,409.00</u> | <u>6,088,653.00</u> | <u>5,815,698.00</u> | <u>7,787,609.00</u> | <u>7,766,283.00</u> | <u>8,166,692.00</u> | <u>7,988,274.00</u> | <u>9,980,935.00</u> | <u>8,194,839.00</u> | <u>6,450,153.00</u> |
| District's covered payroll                                                                                          | \$ 1,629,612.00        | 1,359,926.00        | 1,453,402.00        | 1,337,260.00        | 1,319,857.00        | 1,279,250.00        | Not Available       | Not Available       | Not Available       | Not Available       |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | 0.00%                  | 0.00%               | 0.00%               | 0.00%               | 0.00%               | 0.00%               |                     |                     |                     |                     |
| Plan fiduciary net position as a percentage of the total pension liability                                          | 34.68%                 | 32.29%              | 35.52%              | 24.60%              | 26.95%              | 26.49%              | 25.41%              | 22.33%              | 28.71%              | 33.64%              |

Source: GASB 68 report on Public Employees' Retirement System; District records

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability**  
**Public Employee Retirement System and Teachers' Pension and Annuity Fund**  
**Last Eight Fiscal Years**

|                                                                                                                  | 2023                          | 2022                       | 2021                       | 2020                        | 2019                       | 2018                       | 2017                       | 2016                        |
|------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------------------|----------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| District's proportion of the net OPEB liability (asset)                                                          | 0.00%                         | 0.00%                      | 0.00%                      | 0.00%                       | 0.00%                      | 0.00%                      | 0.00%                      | 0.00%                       |
| District's proportionate of the net OPEB liability (asset)                                                       | \$ -                          | -                          | -                          | -                           | -                          | -                          | -                          | -                           |
| State's proportionate share of the net OPEB liability (asset) associated with the District                       | <u>\$ 7,396,168.00</u>        | <u>7,366,249.00</u>        | <u>9,027,297.00</u>        | <u>10,448,497.00</u>        | <u>6,365,355.00</u>        | <u>6,894,075.00</u>        | <u>9,304,266.00</u>        | <u>10,158,543.00</u>        |
| <b>Total</b>                                                                                                     | <b><u>\$ 7,396,168.00</u></b> | <b><u>7,366,249.00</u></b> | <b><u>9,027,297.00</u></b> | <b><u>10,448,497.00</u></b> | <b><u>6,365,355.00</u></b> | <b><u>6,894,075.00</u></b> | <b><u>9,304,266.00</u></b> | <b><u>10,158,543.00</u></b> |
| District's covered payroll                                                                                       | 1,857,775.00                  | 1,569,160.00               | 1,678,846.00               | 1,548,279.00                | 1,609,902.00               | 1,547,684.00               | #VALUE!                    | not available               |
| District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll | 0.00%                         | 0.00%                      | 0.00%                      | 0.00%                       | 0.00%                      | 0.00%                      | 0.00%                      | 0.00%                       |
| Plan fiduciary net position as a percentage of the total OPEB liability                                          | 0.00%                         | 0.00%                      | 0.00%                      | 0.00%                       | 0.00%                      | 0.00%                      | 0.00%                      | 0.00%                       |
| State's proportionate share of OPEB associated with the District:                                                |                               |                            |                            |                             |                            |                            |                            |                             |
| Service Cost                                                                                                     | 231,520.00                    | 308,370.00                 |                            |                             |                            |                            |                            |                             |
| Interest Cost                                                                                                    | 260,484.00                    | 195,214.00                 |                            |                             |                            |                            |                            |                             |
| Change in Benefit Terms                                                                                          |                               | -                          |                            |                             |                            |                            |                            |                             |
| Differences between Expected & Actual                                                                            | (280,616.00)                  | (1,408.00)                 |                            |                             |                            |                            |                            |                             |
| Changes in Assumptions                                                                                           | 14,908.00                     | (1,976,062.00)             |                            |                             |                            |                            |                            |                             |
| Member Contributions                                                                                             | 6,675.00                      | 6,203.00                   |                            |                             |                            |                            |                            |                             |
| Benefit Payments                                                                                                 | (203,052.00)                  | (193,365.00)               |                            |                             |                            |                            |                            |                             |
| Change in Total OPEB liability                                                                                   | <u>29,919.00</u>              | <u>(1,661,048.00)</u>      |                            |                             |                            |                            |                            |                             |
| State's proportionate share of the net OPEB liability (asset) associated with the District                       |                               |                            |                            |                             |                            |                            |                            |                             |
| Beginning Balance                                                                                                | <u>7,366,249.00</u>           | <u>9,027,297.00</u>        |                            |                             |                            |                            |                            |                             |
| Ending Balance                                                                                                   | <u>\$ 7,396,168.00</u>        | <u>\$ 7,366,249.00</u>     |                            |                             |                            |                            |                            |                             |

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

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



## **Other Supplementary Information**

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| <b>SPECIAL REVENUE FUND</b> |
|-----------------------------|

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**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenue and Expenditures**  
**Budgetary Basis**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

|                                                                  | Title I          | Title II        | Title IV         | ARP<br>ESSER III  | ARP ESSER III<br>Accelerated Learning<br>Coaching & Educator | ARP ESSER III<br>Summer Learning<br>and Enrichment | ARP ESSER III<br>Beyond<br>the School Day | ARP ESSER III<br>NJTSS Mental<br>Health Support | IDEA Basic       | IDEA Preschool  |
|------------------------------------------------------------------|------------------|-----------------|------------------|-------------------|--------------------------------------------------------------|----------------------------------------------------|-------------------------------------------|-------------------------------------------------|------------------|-----------------|
| <b>REVENUES:</b>                                                 |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Federal Sources                                                  | \$ 72,988.00     | 7,554.00        | 10,000.00        | 102,522.07        | 38,082.00                                                    | 18,438.28                                          | 40,000.00                                 | 1.00                                            | 68,543.00        | 1,912.00        |
| State Sources                                                    |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Local Sources                                                    |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| <b>Total revenues</b>                                            | <u>72,988.00</u> | <u>7,554.00</u> | <u>10,000.00</u> | <u>102,522.07</u> | <u>38,082.00</u>                                             | <u>18,438.28</u>                                   | <u>40,000.00</u>                          | <u>1.00</u>                                     | <u>68,543.00</u> | <u>1,912.00</u> |
| <b>EXPENDITURES</b>                                              |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Instruction:                                                     |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Salaries of Teachers                                             | 44,505.00        |                 |                  | 81,791.37         |                                                              | 18,438.28                                          | 40,000.00                                 |                                                 |                  |                 |
| Other Salaries for Instruction                                   |                  |                 |                  |                   | 38,082.00                                                    |                                                    |                                           | 1.00                                            | 68,543.00        | 1,912.00        |
| Purchased Prof. and Technical Services                           |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Tuition                                                          |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Other Purchased Services                                         |                  | 7,554.00        |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| General Supplies                                                 |                  | 7,554.00        | 10,000.00        | 20,730.70         |                                                              |                                                    |                                           |                                                 |                  |                 |
| <b>Total instruction</b>                                         | <u>44,505.00</u> | <u>7,554.00</u> | <u>10,000.00</u> | <u>102,522.07</u> | <u>38,082.00</u>                                             | <u>18,438.28</u>                                   | <u>40,000.00</u>                          | <u>1.00</u>                                     | <u>68,543.00</u> | <u>1,912.00</u> |
| Support services:                                                |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Salaries of supervisors of instruction                           |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Salaries of Program Directors                                    |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Salaries of Secretary and Clerical Assistants                    |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Other salaries                                                   |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Salaries of Community Parent Involvement Specialist              |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Personal services- employee benefits                             | 28,483.00        |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Purchased professional & technical services                      |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Student activities                                               |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| Scholarship                                                      |                  |                 |                  |                   |                                                              |                                                    |                                           |                                                 |                  |                 |
| <b>Total support services</b>                                    | <u>28,483.00</u> | <u>-</u>        | <u>-</u>         | <u>-</u>          | <u>-</u>                                                     | <u>-</u>                                           | <u>-</u>                                  | <u>-</u>                                        | <u>-</u>         | <u>-</u>        |
| <b>Total expenditures</b>                                        | <u>72,988.00</u> | <u>7,554.00</u> | <u>10,000.00</u> | <u>102,522.07</u> | <u>38,082.00</u>                                             | <u>18,438.28</u>                                   | <u>40,000.00</u>                          | <u>1.00</u>                                     | <u>68,543.00</u> | <u>1,912.00</u> |
| <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b> | <u>-</u>         | <u>-</u>        | <u>-</u>         | <u>-</u>          | <u>-</u>                                                     | <u>-</u>                                           | <u>-</u>                                  | <u>-</u>                                        | <u>-</u>         | <u>-</u>        |
| <b>Fund Balance, July 1</b>                                      | <u>-</u>         | <u>-</u>        | <u>-</u>         | <u>-</u>          | <u>-</u>                                                     | <u>-</u>                                           | <u>-</u>                                  | <u>-</u>                                        | <u>-</u>         | <u>-</u>        |
| <b>Fund Balance, June 30</b>                                     | <u>\$ -</u>      | <u>-</u>        | <u>-</u>         | <u>-</u>          | <u>-</u>                                                     | <u>-</u>                                           | <u>-</u>                                  | <u>-</u>                                        | <u>-</u>         | <u>-</u>        |

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Combining Schedule of Revenue and Expenditures**  
**Budgetary Basis**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

|                                                           | REAP      | Total<br>Federal<br>Projects | Preschool<br>Education | Total<br>State<br>Projects | Student<br>Activities | Scholarship<br>Trust | Total<br>Local<br>Projects | Total      |
|-----------------------------------------------------------|-----------|------------------------------|------------------------|----------------------------|-----------------------|----------------------|----------------------------|------------|
| REVENUES:                                                 |           |                              |                        |                            |                       |                      |                            |            |
| Federal Sources                                           | 32,199.00 | 392,239.35                   | -                      | -                          | -                     | -                    | -                          | 392,239.35 |
| State Sources                                             | -         | -                            | 329,229.48             | 329,229.48                 | 29,662.42             | 302.08               | 29,964.50                  | 329,229.48 |
| Local Sources                                             | -         | -                            | -                      | -                          | -                     | -                    | -                          | 29,964.50  |
| Total revenues                                            | 32,199.00 | 392,239.35                   | 329,229.48             | 329,229.48                 | 29,662.42             | 302.08               | 29,964.50                  | 751,433.33 |
| EXPENDITURES                                              |           |                              |                        |                            |                       |                      |                            |            |
| Instruction:                                              |           |                              |                        |                            |                       |                      |                            |            |
| Salaries of teachers                                      |           | 184,734.65                   | 63,921.00              | 63,921.00                  | -                     | -                    | -                          | 248,655.65 |
| Other salaries for instruction                            |           | -                            | 27,280.00              | 27,280.00                  | -                     | -                    | -                          | 27,280.00  |
| Purchased prof. and technical services                    |           | 38,083.00                    | -                      | -                          | -                     | -                    | -                          | 38,083.00  |
| Tuition                                                   |           | 70,455.00                    | 106,589.43             | 106,589.43                 | -                     | -                    | -                          | 177,044.43 |
| Other purchased services                                  |           | 7,554.00                     | -                      | -                          | -                     | -                    | -                          | 7,554.00   |
| General supplies                                          | 12,412.00 | 43,142.70                    | 7,341.60               | 7,341.60                   | -                     | -                    | -                          | 50,484.30  |
| Total instruction                                         | 12,412.00 | 343,969.35                   | 205,132.03             | 205,132.03                 | -                     | -                    | -                          | 549,101.38 |
| Support services:                                         |           |                              |                        |                            |                       |                      |                            |            |
| Salaries of Supervisors of Instruction                    |           | -                            | 10,000.00              | 10,000.00                  | -                     | -                    | -                          | 10,000.00  |
| Salaries of Program Directors                             |           | -                            | 14,000.00              | 14,000.00                  | -                     | -                    | -                          | 14,000.00  |
| Salaries of Secretary and Clerical Assistants             |           | -                            | 5,000.00               | 5,000.00                   | -                     | -                    | -                          | 5,000.00   |
| Other Salaries                                            |           | -                            | 7,000.00               | 7,000.00                   | -                     | -                    | -                          | 7,000.00   |
| Salaries of Community Parent Involvement Specialist       |           | -                            | 2,000.00               | 2,000.00                   | -                     | -                    | -                          | 2,000.00   |
| Personal services- employee benefits                      |           | 28,483.00                    | 82,009.95              | 82,009.95                  | -                     | -                    | -                          | 110,492.95 |
| Purchased professional & technical services               | 19,787.00 | 19,787.00                    | 4,087.50               | 4,087.50                   | 21,732.11             | 1,252.08             | 21,732.11                  | 23,874.50  |
| Student activities                                        | -         | -                            | -                      | -                          | -                     | -                    | -                          | 21,732.11  |
| Scholarship                                               | -         | -                            | -                      | -                          | -                     | 1,252.08             | 1,252.08                   | 1,252.08   |
| Total support services                                    | 19,787.00 | 48,270.00                    | 124,087.45             | 124,087.45                 | 21,732.11             | 1,252.08             | 22,984.19                  | 195,351.64 |
| Total expenditures                                        | 32,199.00 | 392,239.35                   | 329,229.48             | 329,229.48                 | 21,732.11             | 1,252.08             | 22,984.19                  | 744,453.02 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | -         | -                            | -                      | -                          | 7,930.31              | (950.00)             | 6,980.31                   | 6,980.31   |
| Fund Balance, July 1                                      | -         | -                            | -                      | -                          | 37,123.15             | 4,243.58             | 41,366.73                  | 41,366.73  |
| Fund Balance, June 30                                     | -         | -                            | -                      | -                          | 45,053.46             | 3,293.58             | 48,347.04                  | 48,347.04  |

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Special Revenue Fund**  
**Preschool Education Aid**  
**Budgetary Basis**  
**For the Year Ended June 30, 2024**

|                                                     | Total         |            |           |
|-----------------------------------------------------|---------------|------------|-----------|
|                                                     | Budgeted      | Actual     | Variance  |
| <b>EXPENDITURES:</b>                                |               |            |           |
| Instruction:                                        |               |            |           |
| Salaries of Teachers                                | \$ 63,921.00  | 63,921.00  | -         |
| Other Salaries for Instruction                      | 27,280.00     | 27,280.00  | -         |
| Tuition                                             | 114,288.00    | 106,589.43 | 7,698.57  |
| General Supplies                                    | 7,365.05      | 7,341.60   | 23.45     |
| Total Instruction                                   | 212,854.05    | 205,132.03 | 7,722.02  |
| Support Services:                                   |               |            |           |
| Salaries of Other Professional Staff                |               |            | -         |
| Salaries of Program Directors                       | 14,000.00     | 14,000.00  | -         |
| Salaries of Supervisors of Instruction              | 10,000.00     | 10,000.00  | -         |
| Salaries of Secretarial and Clerical Assistants     | 5,000.00      | 5,000.00   | -         |
| Other Salaries                                      | 7,000.00      | 7,000.00   | -         |
| Salaries of Community Parent Involvement Specialist | 2,000.00      | 2,000.00   | -         |
| Personal Services - Employee Benefits               | 82,009.95     | 82,009.95  | -         |
| Purchased professional & technical services         | 10,000.00     | 4,087.50   | 5,912.50  |
| Total Support Services                              | 130,009.95    | 124,097.45 | 5,912.50  |
| Total Expenditures                                  | \$ 342,864.00 | 329,229.48 | 13,634.52 |

**CALCULATION OF BUDGET & CARRYOVER**

|                                                                          |               |
|--------------------------------------------------------------------------|---------------|
| Total Revised 2023-24 Preschool Aid Allocation                           | \$ 342,864.00 |
| Adjustments                                                              | -             |
| Add: Actual ECPA Carryover June 30, 2023                                 | 45,508.71     |
| Add: Budgeted Transfer from the General Fund                             | -             |
| Total Preschool Education Aid Funds Available for 2023-24 Budget         | 388,372.71    |
| Less: 2023-24 Budgeted Preschool Education Aid                           | (342,864.00)  |
| Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2024 | 45,508.71     |
| Add: June 30, 2024 Unexpended Preschool Education Aid                    | 13,634.52     |
| 2023-24 Actual Carryover - Preschool Education Aid                       | \$ 59,143.23  |
| 2023-24 Preschool Education Aid Carryover Budgeted for 2024-25           | \$ 45,509.00  |

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| <b>PROPRIETARY FUNDS</b> |
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**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Enterprise Funds**  
**Combining Schedule of Net Position**  
**June 30, 2024**

|                                                    | Food<br>Service            | Playgroup<br>Childcare  | 2024                     |
|----------------------------------------------------|----------------------------|-------------------------|--------------------------|
| <b>ASSETS:</b>                                     |                            |                         |                          |
| Current assets:                                    |                            |                         |                          |
| Cash and cash equivalents                          | \$ 78,169.36               | 85,795.44               | 163,964.80               |
| Interfund Accounts Receivable                      |                            |                         | -                        |
| Accounts Receivable:                               |                            |                         |                          |
| State                                              | 151.59                     | -                       | 151.59                   |
| Federal                                            | 2,058.94                   | -                       | 2,058.94                 |
| Other                                              | 1,385.27                   | -                       | 1,385.27                 |
| Inventories                                        | 7,561.66                   | -                       | 7,561.66                 |
| Total Current Assets                               | <u>89,326.82</u>           | <u>85,795.44</u>        | <u>175,122.26</u>        |
| Fixed Assets:                                      |                            |                         |                          |
| Equipment                                          | 16,704.74                  | -                       | 16,704.74                |
| Accumulated depreciation                           | (13,883.24)                | -                       | (13,883.24)              |
| Total Fixed Assets                                 | <u>2,821.50</u>            | <u>-</u>                | <u>2,821.50</u>          |
| Total assets                                       | <u><u>92,148.32</u></u>    | <u><u>85,795.44</u></u> | <u><u>177,943.76</u></u> |
| <b>LIABILITIES AND NET POSITION:</b>               |                            |                         |                          |
| Current liabilities:                               |                            |                         |                          |
| Accounts payable                                   | 26,060.11                  |                         | 26,060.11                |
| Interfund payable                                  |                            | 26,736.66               | 26,736.66                |
| Deferred revenue                                   | 2,072.43                   |                         | 2,072.43                 |
| Total current liabilities                          | <u>28,132.54</u>           | <u>26,736.66</u>        | <u>54,869.20</u>         |
| Net Position                                       |                            |                         |                          |
| Invested in capital assets, net<br>of related debt | 2,821.50                   | -                       | 2,821.50                 |
| Unrestricted net position                          | 61,194.28                  | 59,058.78               | 120,253.06               |
| Total net position                                 | <u>64,015.78</u>           | <u>59,058.78</u>        | <u>123,074.56</u>        |
| Total liabilities and net position                 | <u><u>\$ 92,148.32</u></u> | <u><u>85,795.44</u></u> | <u><u>177,943.76</u></u> |

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Enterprise Funds**  
**Combining Schedule of Revenues, Expenses**  
**and Changes in Fund Net Position**  
**For the Fiscal Year ended June 30, 2024**

|                                             | Food<br>Service     | Playgroup<br>Childcare | 2024               |
|---------------------------------------------|---------------------|------------------------|--------------------|
| <b>OPERATING REVENUES:</b>                  |                     |                        |                    |
| Local Sources:                              |                     |                        |                    |
| Daily Sales - Reimbursable Programs         | \$ 30,487.38        | -                      | 30,487.38          |
| Daily Sales - Non-Reimbursable Programs     | 13,346.10           | -                      | 13,346.10          |
| Community Service Activities                |                     | 39,762.50              | 39,762.50          |
| Miscellaneous                               | 3,706.92            | -                      | 3,706.92           |
|                                             | <hr/>               | <hr/>                  | <hr/>              |
| Total Operating Revenues                    | 47,540.40           | 39,762.50              | 87,302.90          |
| <b>OPERATING EXPENSES:</b>                  |                     |                        |                    |
| Salaries                                    | 41,194.10           | 23,339.01              | 64,533.11          |
| Employee benefits                           | 8,016.59            | 2,594.00               | 10,610.59          |
| Supplies and materials                      | 3,127.37            |                        | 3,127.37           |
| Other Purchased Services                    | 3,190.00            |                        | 3,190.00           |
| Cost of sales - Reimbursable                | 36,152.86           |                        | 36,152.86          |
| Cost of sales - Non Reimbursable            | 5,057.10            |                        | 5,057.10           |
| General expense                             | 8,692.85            |                        | 8,692.85           |
| Management Fee                              | 12,097.00           |                        | 12,097.00          |
| Administrative Fee                          |                     | 6,406.25               | 6,406.25           |
| Depreciation                                | 564.30              |                        | 564.30             |
|                                             | <hr/>               | <hr/>                  | <hr/>              |
| Total operating expenses                    | 118,092.17          | 32,339.26              | 150,431.43         |
| Operating income (loss)                     | <u>(70,551.77)</u>  | <u>7,423.24</u>        | <u>(63,128.53)</u> |
| <b>Nonoperating revenues:</b>               |                     |                        |                    |
| State sources                               |                     |                        |                    |
| State school lunch program                  | 1,337.77            |                        | 1,337.77           |
| State school breakfast program              | 1,227.60            |                        | 1,227.60           |
| Federal sources                             |                     |                        |                    |
| National school lunch program               | 25,610.05           |                        | 25,610.05          |
| National school breakfast program           | 10,916.98           |                        | 10,916.98          |
| Healthy Hunger Free Kids Act                | 1,050.24            |                        | 1,050.24           |
| USDA commodities                            | 14,991.13           |                        | 14,991.13          |
| Supply Chain Assistance                     | 9,389.94            |                        | 9,389.94           |
| PEBT                                        | 653.00              |                        | 653.00             |
| Interest Revenues                           | 35.48               | 24.95                  | 60.43              |
|                                             | <hr/>               | <hr/>                  | <hr/>              |
| Total nonoperating revenues                 | 65,212.19           | 24.95                  | 65,237.14          |
| Net Income (Loss)                           | <u>(5,339.58)</u>   | <u>7,448.19</u>        | <u>2,108.61</u>    |
| Unrestricted net position, July 1           | 69,355.36           | 51,610.59              | 120,965.95         |
|                                             | <hr/>               | <hr/>                  | <hr/>              |
| Unrestricted net position/(deficit) June 30 | \$ <u>64,015.78</u> | <u>59,058.78</u>       | <u>123,074.56</u>  |

**City of Estell Manor School District  
Combining Schedule of Cash Flows  
Enterprise Funds  
For the Fiscal Year Ended June 30, 2024**

|                                                                                                      | <b>Food<br/>Service</b>      | <b>Playgroup<br/>Childcare</b> | <b>Total<br/>Enterprise</b> |
|------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                          |                              |                                |                             |
| Receipts from customers                                                                              | \$ 48,272.45                 | 39,762.50                      | 88,034.95                   |
| Payments to employees                                                                                | (49,210.69)                  | (25,933.01)                    | (75,143.70)                 |
| Payments to suppliers                                                                                | (35,887.83)                  | (6,406.25)                     | (42,294.08)                 |
| Net cash provided by/(used for) operating activities                                                 | <u>(36,826.07)</u>           | <u>7,423.24</u>                | <u>(29,402.83)</u>          |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING<br/>ACTIVITIES</b>                                           |                              |                                |                             |
| State Sources                                                                                        | 2,481.98                     |                                | 2,481.98                    |
| Federal Sources                                                                                      | 47,976.68                    |                                | 47,976.68                   |
| Operating subsidies and transfers from other funds                                                   | -                            |                                | -                           |
| Net cash provided by non-capital financing activities                                                | <u>50,458.66</u>             | <u>-</u>                       | <u>50,458.66</u>            |
| <b>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</b>                                  |                              |                                |                             |
| Purchase of capital assets                                                                           | -                            | -                              | -                           |
| Net cash (used) by capital & related financing activities                                            | <u>-</u>                     | <u>-</u>                       | <u>-</u>                    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                                          |                              |                                |                             |
| Interfund loans                                                                                      |                              | 378.77                         | 378.77                      |
| Interest and dividends                                                                               | 35.48                        | 24.95                          | 60.43                       |
| Net cash provided by investing activities                                                            | <u>35.48</u>                 | <u>403.72</u>                  | <u>439.20</u>               |
| Net increase in cash and cash equivalents                                                            | <u>13,668.07</u>             | <u>7,826.96</u>                | <u>21,495.03</u>            |
| Balances—beginning of year                                                                           | 64,501.29                    | 77,968.48                      | 142,469.77                  |
| Balances—end of year                                                                                 | <u><u>78,169.36</u></u>      | <u><u>85,795.44</u></u>        | <u><u>163,964.80</u></u>    |
| <b>Reconciliation of operating income (loss) to net cash<br/>provided</b>                            |                              |                                |                             |
| <b>(used) by operating activities:</b>                                                               |                              |                                |                             |
| Operating income/(loss)                                                                              | (70,551.77)                  | 7,423.24                       | (63,128.53)                 |
| Adjustments to reconcile operating (loss) to net cash<br>provided by/(used for) operating activities |                              |                                |                             |
| Depreciation expense                                                                                 | 564.30                       | -                              | 564.30                      |
| Federal commodities                                                                                  | 14,991.13                    |                                | 14,991.13                   |
| (Increase)/decrease in accounts receivable                                                           | 732.05                       | -                              | 732.05                      |
| Decrease in inventories                                                                              | (3,816.73)                   |                                | (3,816.73)                  |
| Increase in deferred revenue                                                                         | 690.23                       | -                              | 690.23                      |
| Increase/(decrease) in deposits payable                                                              |                              | -                              | -                           |
| Increase/(decrease) in accounts payable                                                              | 20,564.72                    | -                              | 20,564.72                   |
| Increase in compensated absences payable                                                             | -                            |                                | -                           |
| Total adjustments                                                                                    | <u>33,725.70</u>             | <u>-</u>                       | <u>33,725.70</u>            |
| Net cash provided by/(used for) operating activities                                                 | <u><u>\$ (36,826.07)</u></u> | <u><u>7,423.24</u></u>         | <u><u>(29,402.83)</u></u>   |

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**LONG-TERM DEBT**

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City of Estell Manor School District  
Long-Term Debt  
Schedule of General Serial Bonds  
For the Fiscal Year Ended June 30, 2024

I-1

| Improvement Description | Date of Issue | Amount of Original Issue | Maturities of Bonds Outstanding June 30, 2024 |        |  |  | Interest Rate | Balance June 30, 2023 | Increased | Decreased | Balance June 30, 2024 |
|-------------------------|---------------|--------------------------|-----------------------------------------------|--------|--|--|---------------|-----------------------|-----------|-----------|-----------------------|
|                         |               |                          | Date                                          | Amount |  |  |               |                       |           |           |                       |
| School Additions        | 7/15/2015 \$  | 1,234,000                | 7/15/2024                                     | 95,000 |  |  | 3.125%        | 755,000.00            |           | 95,000.00 | 660,000.00            |
|                         |               |                          | 7/15/2025                                     | 95,000 |  |  | 3.125%        |                       |           |           |                       |
|                         |               |                          | 7/15/2026                                     | 95,000 |  |  | 3.125%        |                       |           |           |                       |
|                         |               |                          | 7/15/2027                                     | 95,000 |  |  | 3.125%        |                       |           |           |                       |
|                         |               |                          | 7/15/2028                                     | 95,000 |  |  | 3.250%        |                       |           |           |                       |
|                         |               |                          | 7/15/2029                                     | 95,000 |  |  | 3.250%        |                       |           |           |                       |
|                         |               |                          | 7/15/2030                                     | 90,000 |  |  | 3.250%        |                       |           |           |                       |
| Total Bond Issue        |               |                          |                                               |        |  |  |               | 755,000.00            | -         | 95,000.00 | 660,000.00            |
|                         |               |                          |                                               |        |  |  |               |                       |           |           |                       |
|                         |               |                          |                                               |        |  |  |               | 755,000.00            | -         | 95,000.00 | 660,000.00            |
|                         |               |                          |                                               |        |  |  |               |                       |           |           |                       |

**City of Estell Manor School District**  
**Long-Term Debt**  
**Budgetary Comparison Schedule**  
**For the Fiscal Year Ended June 30, 2024**

|                                                              | Original<br>Budget | Budget<br>Transfers | Final<br>Budget | Actual     | Variance<br>Positive<br>(Negative)<br>Final to Actual |
|--------------------------------------------------------------|--------------------|---------------------|-----------------|------------|-------------------------------------------------------|
| <b>REVENUES:</b>                                             |                    |                     |                 |            |                                                       |
| Local Sources:                                               |                    |                     |                 |            |                                                       |
| Local Tax Levy                                               | \$ 117,460.00      |                     | 117,460.00      | 117,459.96 | 0.04                                                  |
| Total Revenues                                               | 117,460.00         | -                   | 117,460.00      | 117,459.96 | 0.04                                                  |
| <b>EXPENDITURES:</b>                                         |                    |                     |                 |            |                                                       |
| Regular Debt Service:                                        |                    |                     |                 |            |                                                       |
| Interest on Bonds                                            | 22,460.00          |                     | 22,460.00       | 22,459.38  | 0.62                                                  |
| Redemption of Principal                                      | 95,000.00          |                     | 95,000.00       | 95,000.00  | -                                                     |
| Total Regular Debt Service                                   | 117,460.00         | -                   | 117,460.00      | 117,459.38 | 0.62                                                  |
| Total Expenditures                                           | 117,460.00         | -                   | 117,460.00      | 117,459.38 | 0.62                                                  |
| Excess (Deficiency) of Revenues Over<br>(Under) Expenditures | -                  | -                   | -               | 0.58       | 0.58                                                  |
| Fund Balance, July 1                                         | 2,701.09           |                     | 2,701.09        | 2,701.09   | -                                                     |
| Fund Balance, June 30                                        | \$ 2,701.09        | -                   | 2,701.09        | 2,701.67   | 0.58                                                  |

## **Statistical Section**

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**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Net Position by Component,**  
**Last Ten Fiscal Years**  
*Unaudited*

|                                             | 2015                   | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                | 2024                |
|---------------------------------------------|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Governmental activities</b>              |                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Invested in capital assets                  | \$ 3,896,642.11        | 4,551,478.89        | 4,692,469.75        | 5,883,049.96        | 5,696,309.17        | 5,509,636.41        | 5,325,464.72        | 5,347,930.74        | 5,277,897.98        | 5,088,759.07        |
| Restricted                                  | 458,793.79             | 1,205,297.00        | 1,159,791.78        | 1,339,677.51        | 1,315,255.64        | 1,612,321.97        | 2,232,291.42        | 1,582,644.32        | 1,691,199.49        | 1,840,508.51        |
| Unrestricted                                | (662,275.81)           | (767,363.40)        | (798,675.15)        | (1,988,260.07)      | (1,836,804.74)      | (1,798,917.95)      | (2,168,536.87)      | (1,511,732.37)      | (1,296,946.98)      | (1,122,557.87)      |
| Total governmental activities net position  | <u>3,693,160.09</u>    | <u>4,989,412.49</u> | <u>5,053,586.38</u> | <u>5,234,467.40</u> | <u>5,174,760.07</u> | <u>5,323,040.43</u> | <u>5,389,219.27</u> | <u>5,418,842.69</u> | <u>5,672,150.49</u> | <u>5,806,709.71</u> |
| <b>Business-type activities</b>             |                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Invested in capital assets                  | 3,582.40               | 3,134.60            | 2,686.80            | 2,239.00            | 1,791.20            | 6,422.10            | 5,410.00            | 4,397.90            | 3,385.80            | 2,821.50            |
| Unrestricted                                | (5,396.43)             | 1,159.61            | 2,969.88            | 1,964.39            | 8,807.95            | 19,121.93           | 31,590.27           | 81,846.12           | 117,580.15          | 120,253.06          |
| Total business-type activities net position | <u>(1,814.03)</u>      | <u>4,294.21</u>     | <u>5,656.68</u>     | <u>4,203.39</u>     | <u>10,599.15</u>    | <u>25,544.03</u>    | <u>37,000.27</u>    | <u>86,244.02</u>    | <u>120,965.95</u>   | <u>123,074.56</u>   |
| <b>District-wide</b>                        |                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Invested in capital assets                  | 3,900,224.51           | 4,554,613.49        | 4,695,156.55        | 5,885,288.96        | 5,698,100.37        | 5,516,058.51        | 5,330,874.72        | 5,352,328.64        | 5,281,283.78        | 5,091,580.57        |
| Restricted                                  | 458,793.79             | 1,205,297.00        | 1,159,791.78        | 1,339,677.51        | 1,315,255.64        | 1,612,321.97        | 2,232,291.42        | 1,582,644.32        | 1,691,199.49        | 1,840,508.51        |
| Unrestricted                                | (667,672.24)           | (766,203.79)        | (795,705.27)        | (1,986,295.68)      | (1,827,996.79)      | (1,779,796.02)      | (2,136,946.60)      | (1,429,886.25)      | (1,179,366.83)      | (1,002,304.81)      |
| Total district net position                 | <u>\$ 3,691,346.06</u> | <u>4,993,706.70</u> | <u>5,059,243.06</u> | <u>5,238,670.79</u> | <u>5,185,359.22</u> | <u>5,348,584.46</u> | <u>5,426,219.54</u> | <u>5,505,086.71</u> | <u>5,793,116.44</u> | <u>5,929,784.27</u> |

Source: ACFR Schedule A-1

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Changes in Net Position, Last Ten Fiscal Years**  
*Unaudited*

|                                                 | 2015            | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         |
|-------------------------------------------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Expenses</b>                                 |                 |              |              |              |              |              |              |              |              |              |
| Governmental activities                         |                 |              |              |              |              |              |              |              |              |              |
| Instruction                                     |                 |              |              |              |              |              |              |              |              |              |
| Regular                                         | \$ 1,540,622.84 | 2,355,644.42 | 2,368,961.49 | 2,338,331.70 | 1,700,587.86 | 1,847,914.32 | 1,970,083.57 | 1,824,793.66 | 1,360,087.20 | 1,273,623.59 |
| Special education                               | 322,622.20      | 224,132.84   | 238,235.28   | 232,834.31   | 234,076.23   | 298,723.13   | 469,307.93   | 1,072,549.84 | 900,491.02   | 890,845.15   |
| Other special instruction                       | 14,360.29       | 75,486.07    | 79,638.32    | 117,791.78   | 135,084.01   | 124,069.00   | 124,550.96   | 131,595.40   | 84,137.49    | 108,962.88   |
| Other instruction                               | -               | -            | -            | 9,935.30     | 4,387.53     | 29,988.53    | 986.67       | 22,741.09    | 4,210.26     | 30,983.50    |
| Support Services:                               |                 |              |              |              |              |              |              |              |              |              |
| Tuition                                         | 1,122,655.39    | 627,909.59   | 936,458.12   | 797,157.31   | 1,045,581.62 | 992,586.16   | 977,361.45   | 960,014.40   | 812,101.14   | 899,242.33   |
| Student & instruction related services          | 426,668.67      | 555,967.61   | 667,175.22   | 594,087.40   | 494,357.50   | 583,194.36   | 734,314.00   | 823,163.23   | 944,690.08   | 703,488.85   |
| General administrative services                 | 149,014.56      | 194,727.03   | 173,425.05   | 162,606.87   | 127,074.06   | 123,331.94   | 158,893.62   | 122,301.46   | 92,514.29    | 92,541.33    |
| School administrative services                  | 135,615.21      | 200,323.95   | 195,736.51   | 304,278.46   | 225,996.47   | 212,401.73   | 352,883.75   | 285,277.68   | 325,696.98   | 363,747.37   |
| Admin Information Technology                    | -               | -            | -            | -            | -            | -            | -            | 8,365.58     | -            | -            |
| Central Services                                | 114,117.36      | 121,602.57   | 105,164.83   | -            | -            | -            | -            | -            | -            | -            |
| Plant operations and maintenance                | 384,794.25      | 377,311.42   | 395,957.36   | 683,426.79   | 519,043.87   | 443,162.22   | 527,754.30   | 546,260.63   | 555,590.03   | 728,058.03   |
| Pupil transportation                            | 249,402.21      | 267,684.80   | 276,796.19   | 263,537.48   | 375,209.66   | 261,536.40   | 434,095.62   | 401,969.96   | 420,068.76   | 441,180.80   |
| Capital outlay                                  | 14,871.00       | 14,871.00    | 14,871.00    | 25,819.97    | 14,871.00    | 14,871.00    | 21,459.00    | 28,846.00    | 21,198.08    | 14,871.00    |
| Charter School                                  | -               | 16,738.00    | 55,314.00    | -            | 36,926.00    | 23,069.00    | 77,074.00    | -            | -            | -            |
| Interest on Debt                                | 15,913.62       | 48,348.38    | 46,935.01    | -            | -            | -            | -            | 26,170.87    | 24,056.26    | 21,098.70    |
| Depreciation                                    | 130,499.62      | 134,504.03   | 134,504.01   | -            | -            | -            | -            | -            | -            | -            |
| Total governmental activities expenses          | 4,621,157.22    | 5,215,251.71 | 5,689,172.39 | 5,529,807.37 | 4,913,195.81 | 4,954,847.79 | 5,848,764.87 | 6,254,049.80 | 5,544,841.59 | 5,568,643.33 |
| Business-type activities:                       |                 |              |              |              |              |              |              |              |              |              |
| Food Service                                    | 104,593.00      | 108,925.75   | 114,485.67   | 102,116.20   | 104,095.12   | 91,745.25    | 97,699.91    | 117,751.99   | 107,117.10   | 118,092.17   |
| Community Service Programs                      | -               | -            | -            | 17,006.94    | 18,742.38    | 13,758.90    | -            | 18,936.60    | 24,124.12    | 32,339.26    |
| Total business-type activities expense          | 104,593.00      | 108,925.75   | 114,485.67   | 119,123.14   | 122,837.50   | 105,504.15   | 97,699.91    | 136,688.59   | 131,241.22   | 150,431.43   |
| Total district expenses                         | 4,725,750.22    | 5,324,177.46 | 5,803,658.06 | 5,648,930.51 | 5,036,033.31 | 5,060,351.94 | 5,946,464.78 | 6,390,738.39 | 5,676,082.81 | 5,719,074.76 |
| <b>Program Revenues</b>                         |                 |              |              |              |              |              |              |              |              |              |
| Governmental activities:                        |                 |              |              |              |              |              |              |              |              |              |
| Charges for service                             | 837,903.93      | 1,144,823.11 | 1,214,957.48 | 1,102,865.71 | 245,070.89   | 508,054.12   | 1,110,483.51 | 1,634,708.42 | 1,112,404.64 | 986,692.13   |
| Operating grants and contributions              | -               | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| Total governmental activities program revenues  | 837,903.93      | 1,144,823.11 | 1,214,957.48 | 1,102,865.71 | 245,070.89   | 508,054.12   | 1,110,483.51 | 1,634,708.42 | 1,112,404.64 | 986,692.13   |
| Business-type activities:                       |                 |              |              |              |              |              |              |              |              |              |
| Charges for services                            |                 |              |              |              |              |              |              |              |              |              |
| Food Service                                    | 64,706.35       | 67,604.30    | 77,376.76    | 56,234.07    | 54,274.03    | 37,526.96    | 283.58       | 5,199.18     | 47,583.30    | 47,540.40    |
| Community Service Programs                      | -               | -            | -            | 15,975.00    | 25,607.50    | 17,971.87    | 17,710.00    | 28,625.50    | 38,145.50    | 39,762.50    |
| Operating grants and contributions              | 32,264.11       | 41,413.84    | 38,296.93    | 45,436.50    | 49,374.60    | 64,915.62    | 91,136.34    | 152,474.46   | 80,161.97    | 65,176.71    |
| Total business type activities program revenues | 96,970.46       | 109,018.14   | 115,673.69   | 117,645.57   | 129,256.13   | 120,414.45   | 109,129.92   | 186,299.14   | 165,890.77   | 152,479.61   |
| Total district program revenues                 | 934,874.39      | 1,253,841.25 | 1,330,631.17 | 1,220,546.28 | 374,327.02   | 628,468.57   | 1,219,613.43 | 1,821,007.56 | 1,278,295.41 | 1,139,171.74 |

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Changes in Net Position, Last Ten Fiscal Years**  
*Unaudited*

|                                                           | 2015                  | 2016                  | 2017                  | 2018                  | 2019                  | 2020                  | 2021                  | 2022                  | 2023                  | 2024                  |
|-----------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <b>Net (Expense)/Revenue</b>                              |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental activities                                   | \$ (3,783,253.29)     | (4,070,428.60)        | (4,474,214.91)        | (4,426,906.66)        | (4,668,124.92)        | (4,446,793.67)        | (4,738,281.36)        | (4,619,341.38)        | (4,432,436.95)        | (4,581,951.20)        |
| Business-type activities                                  | (7,622.54)            | 92.39                 | 1,188.02              | (1,477.57)            | 6,418.63              | 14,910.30             | 11,430.01             | 49,610.55             | 34,649.55             | 2,048.18              |
| Total district-wide net expense                           | <u>(3,790,875.83)</u> | <u>(4,070,336.21)</u> | <u>(4,473,026.89)</u> | <u>(4,428,384.23)</u> | <u>(4,661,706.29)</u> | <u>(4,431,883.37)</u> | <u>(4,726,851.35)</u> | <u>(4,569,730.83)</u> | <u>(4,397,787.40)</u> | <u>(4,579,903.02)</u> |
| <b>General Revenues and Other Changes in Net Position</b> |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental activities:                                  |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Property taxes levied for general purposes, net           | 2,367,749.00          | 2,373,649.00          | 2,369,139.04          | 2,354,957.00          | 2,374,305.00          | 2,504,678.00          | 2,603,143.00          | 2,655,268.00          | 2,706,013.00          | 2,882,238.96          |
| Unrestricted grants and contributions                     | 1,617,439.80          | 2,966,086.87          | 2,135,858.00          | 2,212,987.96          | 2,211,186.00          | 1,975,966.00          | 1,979,932.00          | 1,946,841.00          | 2,010,760.00          | 1,809,480.00          |
| Transportation Fees                                       | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Investment earnings                                       | 321.70                | 50.00                 | 1,270.06              | -                     | 1,720.58              | -                     | -                     | -                     | -                     | -                     |
| Miscellaneous income                                      | 27,813.78             | 32,895.13             | 32,121.70             | 20,494.72             | 21,206.01             | 20,642.36             | 8,131.64              | 46,855.80             | 26,071.75             | 24,791.46             |
| Debt service assessment                                   | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Special items                                             | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Transfers                                                 | (2,500.00)            | (6,000.00)            | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Total governmental activities                             | <u>4,010,824.28</u>   | <u>5,366,681.00</u>   | <u>4,538,383.80</u>   | <u>4,568,439.68</u>   | <u>4,608,417.59</u>   | <u>4,501,286.36</u>   | <u>4,591,206.64</u>   | <u>4,648,964.80</u>   | <u>4,742,844.75</u>   | <u>4,716,510.42</u>   |
| Business-type activities:                                 |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Investment earnings                                       | 11.17                 | 15.85                 | 174.45                | 24.28                 | 35.06                 | 34.58                 | 26.23                 | 39.55                 | 72.38                 | 60.43                 |
| Other adjustments                                         | -                     | -                     | -                     | -                     | (57.93)               | -                     | -                     | (406.35)              | -                     | -                     |
| Transfers                                                 | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     | -                     |
| Total business-type activities                            | <u>2,500.00</u>       | <u>6,000.00</u>       | <u>174.45</u>         | <u>24.28</u>          | <u>(22.87)</u>        | <u>34.58</u>          | <u>26.23</u>          | <u>(366.80)</u>       | <u>72.38</u>          | <u>60.43</u>          |
| Total district-wide                                       | <u>4,013,335.45</u>   | <u>5,372,686.85</u>   | <u>4,538,563.25</u>   | <u>4,588,463.96</u>   | <u>4,608,394.72</u>   | <u>4,501,320.94</u>   | <u>4,591,232.87</u>   | <u>4,648,598.00</u>   | <u>4,742,917.13</u>   | <u>4,716,570.85</u>   |
| <b>Change in Net Position</b>                             |                       |                       |                       |                       |                       |                       |                       |                       |                       |                       |
| Governmental activities                                   | 227,570.99            | 1,296,252.40          | 64,173.89             | 161,533.02            | (59,707.33)           | 54,492.69             | (147,074.72)          | 29,623.42             | 310,407.80            | 134,559.22            |
| Business-type activities                                  | (5,111.37)            | 6,108.24              | 1,362.47              | (1,453.29)            | 6,395.76              | 14,944.88             | 11,456.24             | 49,243.75             | 34,721.93             | 2,108.61              |
| Total district                                            | <u>222,459.62</u>     | <u>1,302,360.64</u>   | <u>65,536.36</u>      | <u>160,079.73</u>     | <u>(53,311.57)</u>    | <u>69,437.57</u>      | <u>(135,618.48)</u>   | <u>78,867.17</u>      | <u>345,129.73</u>     | <u>136,667.83</u>     |

Source: ACFR Schedule A-2

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
**Unaudited**

|                                              | 2015              | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                | 2022                | 2023                | 2024                |
|----------------------------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>General Fund</b>                          |                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Restricted                                   | \$ 365,464.65     | 779,097.97          | 1,086,895.90        | 1,131,198.31        | 876,768.41          | 1,078,034.47        | 2,077,838.37        | 1,468,778.97        | 1,581,622.36        | 1,740,879.05        |
| Assigned                                     | 18,934.95         | 290,777.85          | 44,100.63           | 150,857.99          | 380,865.78          | 476,665.83          | 49,880.21           | 11,049.62           | 7,879.15            | 19,765.67           |
| Unassigned                                   | 62,040.00         | 57,723.00           | 56,567.00           | 45,579.00           | 94,505.00           | 83,191.00           | (431,010.81)        | 63,980.00           | 82,672.00           | 92,272.00           |
| Reserved                                     | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Unreserved                                   | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total general fund</b>                    | <b>446,439.60</b> | <b>1,127,598.82</b> | <b>1,187,563.53</b> | <b>1,327,635.30</b> | <b>1,352,139.19</b> | <b>1,637,891.30</b> | <b>1,696,707.77</b> | <b>1,543,808.59</b> | <b>1,672,173.51</b> | <b>1,852,916.72</b> |
| <b>All Other Governmental Funds</b>          |                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Restricted                                   | 74,394.19         | 135,421.18          | 28,795.25           | 28,810.57           | 28,810.81           | 28,811.03           | 28,811.25           | 28,815.93           | 31,516.17           | 31,516.75           |
| Reserved                                     | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Unreserved, reported in:                     |                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Special revenue fund                         | -                 | -                   | -                   | -                   | -                   | -                   | 46,950.95           | 16,887.72           | 14,525.73           | 14,212.04           |
| Capital Projects                             | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Debt Service                                 | -                 | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| <b>Total all other governmental funds \$</b> | <b>74,394.19</b>  | <b>135,421.18</b>   | <b>28,795.25</b>    | <b>28,810.57</b>    | <b>28,810.81</b>    | <b>28,811.03</b>    | <b>75,762.20</b>    | <b>45,703.65</b>    | <b>46,041.90</b>    | <b>45,728.79</b>    |

Source: ACFR Schedule B-1



**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*Unaudited*

|                                                           | 2015            | 2016         | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | 2023         | 2024         |
|-----------------------------------------------------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Revenues</b>                                           |                 |              |              |              |              |              |              |              |              |              |
| Tax levy                                                  | \$ 2,367,749.00 | 2,373,649.00 | 2,369,139.04 | 2,374,305.00 | 2,374,305.00 | 2,504,678.00 | 2,603,143.00 | 2,655,268.00 | 2,706,013.00 | 2,882,238.96 |
| Tuition charges                                           | -               | -            | -            | 35.00        | -            | -            | -            | -            | -            | -            |
| Interest earnings                                         | 321.70          | 50.00        | 1,270.06     | -            | -            | -            | -            | -            | -            | -            |
| Miscellaneous                                             | 27,813.78       | 32,894.43    | 37,529.70    | 20,494.72    | 22,926.59    | 20,642.36    | 8,131.64     | 46,855.80    | 26,071.75    | 24,791.46    |
| Local sources                                             | -               | -            | -            | 15.08        | -            | -            | 12,305.38    | 15,293.45    | 51,081.55    | 29,964.50    |
| State sources                                             | 2,352,465.30    | 3,178,847.87 | 2,474,829.17 | 2,532,012.96 | 2,680,135.36 | 2,441,879.44 | 2,552,739.12 | 2,857,143.75 | 3,047,440.70 | 2,978,789.29 |
| Federal sources                                           | 102,878.43      | 102,209.34   | 120,650.31   | 63,028.64    | 11,012.53    | 11,656.69    | 123,013.00   | 393,765.37   | 509,689.38   | 392,239.35   |
| Total revenue                                             | 4,851,228.21    | 5,687,650.64 | 5,003,418.28 | 4,989,889.40 | 5,088,379.48 | 4,978,856.49 | 5,299,332.14 | 5,968,326.37 | 6,340,296.38 | 6,308,023.56 |
| <b>Expenditures</b>                                       |                 |              |              |              |              |              |              |              |              |              |
| Instruction                                               |                 |              |              |              |              |              |              |              |              |              |
| Regular Instruction                                       | 1,090,031.43    | 1,176,923.99 | 1,247,826.28 | 1,223,699.84 | 1,154,229.78 | 1,130,836.13 | 1,169,712.02 | 1,120,215.54 | 1,145,728.71 | 943,491.03   |
| Special education instruction                             | 227,961.24      | 113,102.85   | 125,759.08   | 121,847.26   | 158,157.22   | 183,749.79   | 278,253.10   | 658,423.48   | 696,862.45   | 802,262.66   |
| Other special instruction                                 | -               | -            | -            | 61,643.00    | 91,271.60    | 76,317.00    | 73,846.38    | 80,784.60    | 65,111.42    | 80,718.75    |
| Other instruction                                         | 14,360.29       | 75,486.07    | 79,638.32    | 5,199.36     | 2,964.51     | 18,446.46    | 585.00       | 13,960.44    | 3,258.20     | 22,952.36    |
| Nonpublic school programs                                 | -               | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| Support Services:                                         |                 |              |              |              |              |              |              |              |              |              |
| Tuition                                                   | 1,122,655.39    | 627,909.59   | 936,458.12   | 749,682.31   | 1,008,655.62 | 969,517.16   | 900,287.45   | 864,173.40   | 755,001.14   | 850,330.50   |
| Student & instruction related services                    | 301,479.32      | 280,554.70   | 352,186.89   | 310,898.86   | 334,020.29   | 356,572.20   | 486,835.23   | 512,661.46   | 740,543.23   | 554,610.12   |
| General administrative services                           | 105,292.02      | 98,263.97    | 91,547.21    | 98,610.18    | 99,755.17    | 94,157.02    | 108,173.67   | 99,354.44    | 81,886.58    | 65,703.08    |
| School Administrative services                            | 95,824.19       | 101,088.31   | 103,324.93   | 184,524.52   | 177,411.19   | 159,750.95   | 234,310.52   | 218,765.52   | 254,937.69   | 245,793.96   |
| Central Services                                          | 114,117.36      | 121,602.57   | 105,164.83   | -            | -            | -            | -            | -            | -            | -            |
| Administration Information Technology                     | -               | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| Plant operations and maintenance                          | 384,794.25      | 377,311.42   | 395,957.36   | 439,244.28   | 407,457.72   | 355,509.33   | 334,486.34   | 355,450.82   | 390,980.38   | 481,286.27   |
| Pupil transportation                                      | 249,402.21      | 267,684.80   | 276,796.19   | 263,537.48   | 375,209.66   | 261,536.40   | 434,095.62   | 401,969.96   | 420,068.76   | 441,180.80   |
| Unallocated employee benefits                             | 748,121.66      | 864,729.05   | 922,921.77   | 1,119,655.46 | 1,087,331.83 | 1,025,405.61 | 1,192,100.95 | 1,306,942.94 | 1,393,852.27 | 1,435,037.53 |
| Capital outlay                                            | 137,050.64      | 1,928,211.11 | 180,365.87   | 13,383.00    | 14,871.00    | 14,871.00    | 21,459.00    | 279,325.92   | 36,069.08    | 14,871.00    |
| Debt Service                                              | 117,958.00      | 123,858.00   | 176,818.65   | 210,401.76   | 115,613.76   | 117,153.78   | 115,618.78   | 117,993.76   | 115,293.76   | 117,459.38   |
| Charter Schools                                           | -               | 16,738.00    | 55,314.00    | 47,475.00    | 36,926.00    | 23,069.00    | 77,074.00    | 95,841.00    | 57,100.00    | 48,911.83    |
| Student Activities                                        | -               | -            | -            | -            | -            | -            | 4,140.65     | 15,552.34    | 20,905.29    | 21,732.11    |
| Scholarship                                               | -               | -            | -            | -            | -            | -            | 1,403.52     | 1,502.90     | 602.25       | 1,252.08     |
| Total expenditures                                        | 4,709,048.00    | 6,173,464.43 | 5,050,079.50 | 4,849,802.31 | 5,063,875.35 | 4,786,891.83 | 5,412,362.23 | 6,151,284.10 | 6,178,201.21 | 6,127,593.46 |
| Excess (Deficiency) of revenues over (under) expenditures | 142,180.21      | (485,813.79) | (46,661.22)  | 140,087.09   | 24,504.13    | 191,964.66   | (113,030.09) | (182,957.73) | 162,095.17   | 180,430.10   |
| <b>Other Financing sources (uses)</b>                     |                 |              |              |              |              |              |              |              |              |              |
| City of Estell Manor Bond Proceeds                        | -               | 1,234,000.00 | -            | -            | -            | -            | -            | -            | -            | -            |
| Cancelled Payables                                        | -               | -            | -            | -            | -            | 54,230.58    | -            | -            | -            | -            |
| Prior Period Grant Adjustments                            | -               | -            | -            | -            | -            | 39,557.09    | 133,590.94   | -            | (33,392.00)  | -            |
| Transfers out                                             | (2,500.00)      | (6,000.00)   | -            | -            | -            | -            | -            | -            | -            | -            |
| Total other financing sources (uses)                      | (2,500.00)      | 1,228,000.00 | -            | -            | -            | 93,787.67    | 133,590.94   | -            | (33,392.00)  | -            |
| Net change in fund balances                               | \$ 139,680.21   | 742,186.21   | (46,661.22)  | 140,087.09   | 24,504.13    | 285,752.33   | 20,560.85    | (182,957.73) | 128,703.17   | 180,430.10   |
| Debt service as a percentage of noncapital expenditures   | 0.00%           | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        | 0.00%        |

Source: ACFR Schedule B-2

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**General Fund Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
*Unaudited*

| Fiscal Year<br>Ended June 30, | Interest on | Prior Year | Misc.     | Total     |
|-------------------------------|-------------|------------|-----------|-----------|
|                               | Investments | Refunds    |           |           |
| 2015                          | 321.70      |            | 27,813.78 | 28,135.48 |
| 2016                          | 50.00       |            | 32,894.43 | 32,944.43 |
| 2017                          | 1,270.06    |            | 37,529.70 | 38,799.76 |
| 2018                          | 388.02      |            | 20,106.70 | 20,494.72 |
| 2019                          | 1,720.58    |            | 21,161.01 | 22,881.59 |
| 2020                          | 1,932.27    |            | 18,710.09 | 20,642.36 |
| 2021                          | 1,553.18    |            | 6,578.46  | 8,131.64  |
| 2022                          | 877.39      |            | 45,978.41 | 46,855.80 |
| 2023                          | 881.05      |            | 25,190.70 | 26,071.75 |
| 2024                          | 928.12      |            | 23,863.34 | 24,791.46 |

Source: District Records

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Assessed Value and Actual Value of Taxable Property,**  
**Last Ten Fiscal Years**  
*Unaudited*

| Fiscal<br>Year<br>Ended<br>June 30, | Vacant Land | Residential | Total Assessed<br>Value | Taxable Value<br>of Locally<br>Assessed<br>Personal<br>Property | Public Utilities <sup>a</sup> | Net Valuation<br>Taxable | Total Direct<br>School Tax Rate <sup>b</sup> | Estimated Actual<br>(County Equalized<br>Value) |
|-------------------------------------|-------------|-------------|-------------------------|-----------------------------------------------------------------|-------------------------------|--------------------------|----------------------------------------------|-------------------------------------------------|
|                                     |             |             |                         |                                                                 |                               |                          |                                              |                                                 |
| 2015                                | 50,024,100  | 104,105,500 | 154,129,600             | 385,512                                                         | -                             | 154,515,112              | 1.536                                        | 164,116,482                                     |
| 2016                                | 50,076,800  | 104,533,800 | 154,610,600             | -                                                               | -                             | 154,610,600              | 1.528                                        | 167,876,529                                     |
| 2017                                | 49,873,300  | 104,047,800 | 153,921,100             | -                                                               | -                             | 153,921,100              | 1.539                                        | 160,066,269                                     |
| 2018                                | 49,557,600  | 104,159,200 | 153,716,800             | -                                                               | 398,273                       | 154,115,073              | 1.541                                        | 161,216,741                                     |
| 2019                                | 49,235,300  | 104,886,700 | 154,122,000             | -                                                               | 492,570                       | 154,614,570              | 1.619                                        | 170,207,198                                     |
| 2020                                | 49,320,300  | 106,182,800 | 155,503,100             | -                                                               | 870,620                       | 156,373,720              | 1.664                                        | 169,132,031                                     |
| 2021                                | 49,160,300  | 106,869,300 | 156,029,600             | -                                                               | 913,847                       | 156,943,447              | 1.691                                        | 172,038,702                                     |
| 2022                                | 49,127,000  | 107,788,300 | 156,915,300             | -                                                               | 831,047                       | 157,746,347              | 1.716                                        | 189,182,554                                     |
| 2023                                | 48,731,500  | 108,495,700 | 157,227,200             | -                                                               | 779,300                       | 158,006,500              | 1.824                                        | 204,198,108                                     |
| 2024                                | 48,862,700  | 108,909,000 | 157,771,700             | -                                                               | -                             | 157,771,700              | 1.850                                        | 228,611,694                                     |

Source: District records Tax list summary & Municipal Tax Assessor

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

**Note:**

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

**b** Tax rates are per \$100

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Direct and Overlapping Property Tax Rates**  
**Rate per \$100 of Assessed Value**  
**Last Ten Fiscal Years**  
*Unaudited*

| Fiscal<br>Year<br>Ended<br>June 30, | City of Estell Manor Board of Education |                                                    |                 | City of Estell Manor       |                                            |                    | Total Direct and<br>Overlapping Tax<br>Rate |
|-------------------------------------|-----------------------------------------|----------------------------------------------------|-----------------|----------------------------|--------------------------------------------|--------------------|---------------------------------------------|
|                                     | Basic Rate <sup>a</sup>                 | General<br>Obligation<br>Debt Service <sup>b</sup> | Total<br>Direct | City of<br>Estell<br>Manor | Local<br>Municipal<br>Library <sup>c</sup> | Atlantic<br>County |                                             |
| 2015                                | 1.536                                   |                                                    | 1.536           | 0.299                      |                                            | 0.530              | 2.365                                       |
| 2016                                | 1.528                                   |                                                    | 1.528           | 0.308                      |                                            | 0.559              | 2.395                                       |
| 2017                                | 1.539                                   |                                                    | 1.539           | 0.297                      |                                            | 0.580              | 2.416                                       |
| 2018                                | 1.541                                   |                                                    | 1.541           | 0.299                      |                                            | 0.581              | 2.421                                       |
| 2019                                | 1.619                                   |                                                    | 1.619           | 0.332                      |                                            | 0.595              | 2.546                                       |
| 2020                                | 1.664                                   |                                                    | 1.664           | 0.343                      |                                            | 0.579              | 2.586                                       |
| 2021                                | 1.691                                   |                                                    | 1.691           | 0.372                      |                                            | 0.594              | 2.657                                       |
| 2022                                | 1.716                                   |                                                    | 1.716           | 0.402                      |                                            | 0.626              | 2.744                                       |
| 2023                                | 1.824                                   |                                                    | 1.824           | 0.411                      |                                            | 0.640              | 2.875                                       |
| 2024                                | 1.850                                   |                                                    | 1.850           | 0.409                      |                                            | 0.637              | 2.896                                       |

Source: District Records and Municipal Tax Collector

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

**Note:**

- a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- b** Rates for debt service are based on each year's requirements.
- c** Effective with the 2011 tax year the amount to be raised by taxation to fund municipal free libraries is displayed separately on the tax bill and the municipal tax levy and rate is reduced by this amount. Previously, the library tax was combined with the local tax levy on the tax bill.

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Principal Property Tax Payers,**  
**Current Year and Nine Years Ago**  
*Unaudited*

| Taxpayer                         | 2024                   |      |                                        | 2015                      |      |                                        |
|----------------------------------|------------------------|------|----------------------------------------|---------------------------|------|----------------------------------------|
|                                  | Taxable Assessed Value | Rank | % of Total District Net Assessed Value | Taxable Assessed Value    | Rank | % of Total District Net Assessed Value |
| Campground of Pleasant Valley LP | 1,875,000              | 1    | 1.19%                                  | Information not available |      |                                        |
| Holiday Haven Campground LLC     | 1,408,000              | 2    | 0.89%                                  |                           |      |                                        |
| MHC Mays Landing LLC             | 1,000,000              | 3    | 0.63%                                  |                           |      |                                        |
| New Jersey Bell Telephone Co     | 913,847                | 4    | 0.58%                                  |                           |      |                                        |
| 170 Estell Manor LLC             | 716,800                | 5    | 0.45%                                  |                           |      |                                        |
| 176 Route 50 LLC                 | 675,000                | 6    | 0.43%                                  |                           |      |                                        |
| Taxpayer #1                      | 569,300                | 7    | 0.36%                                  |                           |      |                                        |
| Taxpayer #2                      | 519,100                | 8    | 0.33%                                  |                           |      |                                        |
| M.H.S. LLC                       | 500,000                | 9    | 0.32%                                  |                           |      |                                        |
| Taxpayer #3                      | 472,400                | 10   | 0.30%                                  |                           |      |                                        |
| Total                            | 8,649,447              |      | 5.48%                                  | -                         |      | 0.00%                                  |
| Total Assessed Value             |                        |      | 157,771,700                            |                           |      | 154,515,112                            |

Source: District ACFR & Municipal Tax Assessor  
District Total Taxable Value

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Property Tax Levies and Collections,**  
**Last Ten Fiscal Years**  
*Unaudited*

| Fiscal Year<br>Ended June<br>30, | Taxes Levied for<br>the Fiscal Year | Collected within the Fiscal Year of the |                       | Collections in<br>Subsequent<br>Years |
|----------------------------------|-------------------------------------|-----------------------------------------|-----------------------|---------------------------------------|
|                                  |                                     | Amount                                  | Percentage<br>of Levy |                                       |
| 2015                             | 2,367,749.00                        | 2,367,749.00                            | 100%                  | -                                     |
| 2016                             | 2,373,649.00                        | 2,373,649.00                            | 100%                  | -                                     |
| 2017                             | 2,369,139.04                        | 2,369,139.04                            | 100%                  | -                                     |
| 2018                             | 2,354,957.00                        | 2,354,957.00                            | 100%                  | -                                     |
| 2019                             | 2,354,957.00                        | 2,354,957.00                            | 100%                  | -                                     |
| 2020                             | 2,487,524.00                        | 2,487,524.00                            | 100%                  | -                                     |
| 2021                             | 2,487,524.00                        | 2,487,524.00                            | 100%                  | -                                     |
| 2022                             | 2,537,274.00                        | 2,537,274.00                            | 100%                  | -                                     |
| 2023                             | 2,588,019.00                        | 2,588,019.00                            | 100%                  | -                                     |
| 2024                             | 2,764,779.00                        | 2,764,779.00                            | 100%                  | -                                     |

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

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

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**Unaudited**

| Fiscal<br>Year<br>Ended<br>June 30, | Governmental Activities     |                                     |                   | Business-Type<br>Activities             |                | Percentage of<br>Personal<br>Income <sup>a</sup> | Per Capita <sup>a</sup> |
|-------------------------------------|-----------------------------|-------------------------------------|-------------------|-----------------------------------------|----------------|--------------------------------------------------|-------------------------|
|                                     | General Obligation<br>Bonds | Certificates<br>of<br>Participation | Capital<br>Leases | Bond<br>Anticipation<br>Notes<br>(BANs) | Capital Leases | Total District                                   |                         |
| 2015                                | 338,000.00                  | -                                   | -                 | -                                       | -              | 338,000.00                                       | 195                     |
| 2016                                | 1,462,000.00                | -                                   | -                 | -                                       | -              | 1,462,000.00                                     | 848                     |
| 2017                                | 1,352,000.00                | -                                   | -                 | -                                       | -              | 1,352,000.00                                     | 787                     |
| 2018                                | 1,184,000.00                | -                                   | -                 | -                                       | -              | 1,184,000.00                                     | 693                     |
| 2019                                | 1,104,000.00                | -                                   | -                 | -                                       | -              | 1,104,000.00                                     | 644                     |
| 2020                                | 1,020,000.00                | -                                   | -                 | -                                       | -              | 1,020,000.00                                     | 590                     |
| 2021                                | 935,000.00                  | -                                   | -                 | -                                       | -              | 935,000.00                                       | 538                     |
| 2022                                | 845,000.00                  | -                                   | -                 | -                                       | -              | 845,000.00                                       | 506                     |
| 2023                                | 755,000.00                  | -                                   | -                 | -                                       | -              | 755,000.00                                       | 450                     |
| 2024                                | 660,000.00                  | -                                   | -                 | -                                       | -              | 660,000.00                                       | 393                     |

Source: District ACFR Schedules I-1 and City's Annual Debt Statement

**a** See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Ratios of Net General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
*Unaudited*

| General Bonded Debt Outstanding     |                                |            |                                           |                                                                      |                         |
|-------------------------------------|--------------------------------|------------|-------------------------------------------|----------------------------------------------------------------------|-------------------------|
| Fiscal<br>Year<br>Ended<br>June 30, | General<br>Obligation<br>Bonds | Deductions | Net General<br>Bonded Debt<br>Outstanding | Percentage of<br>Actual Taxable<br>Value <sup>a</sup> of<br>Property | Per Capita <sup>b</sup> |
| 2015                                | 338,000.00                     | -          | 338,000.00                                | 0.22%                                                                | 195                     |
| 2016                                | 1,462,000.00                   | -          | 1,462,000.00                              | 0.95%                                                                | 848                     |
| 2017                                | 1,352,000.00                   | -          | 1,352,000.00                              | 0.88%                                                                | 787                     |
| 2018                                | 1,184,000.00                   | -          | 1,184,000.00                              | 0.77%                                                                | 693                     |
| 2019                                | 1,104,000.00                   | -          | 1,104,000.00                              | 0.71%                                                                | 644                     |
| 2020                                | 1,020,000.00                   | -          | 1,020,000.00                              | 0.65%                                                                | 590                     |
| 2021                                | 935,000.00                     | -          | 935,000.00                                | 0.60%                                                                | 538                     |
| 2022                                | 845,000.00                     | -          | 845,000.00                                | 0.54%                                                                | 506                     |
| 2023                                | 755,000.00                     | -          | 755,000.00                                | 0.48%                                                                | 450                     |
| 2024                                | 660,000.00                     | -          | 660,000.00                                | 0.42%                                                                | 393                     |

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

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

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



**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Ratios of Overlapping Governmental Activities Debt**  
**As of June 30, 2024**  
**Unaudited**

| <u>Governmental Unit</u>                         | <u>Debt Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable <sup>a</sup></u> | <u>Estimated Share<br/>of Overlapping<br/>Debt</u> |
|--------------------------------------------------|-------------------------|-------------------------------------------------------------|----------------------------------------------------|
| <b>Debt repaid with property taxes</b>           |                         |                                                             |                                                    |
| City of Estell Manor                             | \$ -                    | 100.00%                                                     | -                                                  |
| Atlantic County                                  | 233,275,017.57          | 0.51%                                                       | 1,194,992.75                                       |
| <b>Other debt</b>                                |                         |                                                             |                                                    |
| None                                             |                         |                                                             |                                                    |
| Subtotal, overlapping debt                       |                         |                                                             | 1,194,992.75                                       |
| <b>City of Estell Manor School District debt</b> | 660,000.00              | 100.00%                                                     | 660,000.00                                         |
| <b>Total direct and overlapping debt</b>         |                         |                                                             | \$ 1,854,992.75                                    |

**Sources:** City of Estell Manor Finance Officer and Atlantic County Finance Office

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

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

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Legal Debt Margin Information,**  
**Last Ten Fiscal Years**  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2024**

|                                                                      | Equalized valuation basis |                |                |              |              |              |              |              |              |  |
|----------------------------------------------------------------------|---------------------------|----------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--|
|                                                                      | 2023                      | 2022           | 2021           | 2020         | 2019         | 2018         | 2017         | 2016         | 2015         |  |
| Debt limit                                                           | 226,780,903.00            | 202,680,573.00 | 186,973,757.00 | 4,960,793.26 | 4,819,553.11 | 4,873,651.65 | 4,899,004.84 | 5,009,341.00 | 5,103,963.00 |  |
| Total net debt applicable to limit                                   | 660,000.00                | 660,000.00     | 660,000.00     | 1,020,000.00 | 1,104,000.00 | 1,184,000.00 | 845,000.00   | 1,462,000.00 | 338,000.00   |  |
| Legal debt margin                                                    | 616,435,233.00            | 616,435,233.00 | 616,435,233.00 | 3,940,793.26 | 3,715,553.11 | 3,689,651.65 | 4,054,004.84 | 3,547,341.00 | 4,765,963.00 |  |
| Total net debt applicable to the limit as a percentage of debt limit | 10.71%                    | 10.71%         | 10.71%         | 20.56%       | 22.91%       | 24.29%       | 17.25%       | 29.19%       | 6.62%        |  |

Average equalized valuation of taxable property

average) equalization  
Net bonded school debt  
Legal debt margin

Source: Abstract of Rates and District Records ACFR Schedule J-10

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**  
*Unaudited*

| <u>Year</u> | <u>Population <sup>a</sup></u> | <u>Personal<br/>Income<br/>(thousands of<br/>dollars) <sup>b</sup></u> | <u>Per Capita<br/>Personal<br/>Income <sup>c</sup></u> | <u>Unemployment Rate <sup>d</sup></u> |
|-------------|--------------------------------|------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------|
| 2015        | 1,737                          | 70,953                                                                 | 40,848                                                 | 8.60%                                 |
| 2016        | 1,724                          | 72,313                                                                 | 41,945                                                 | 7.70%                                 |
| 2017        | 1,717                          | 73,786                                                                 | 42,974                                                 | 7.70%                                 |
| 2018        | 1,709                          | 75,630                                                                 | 44,254                                                 | 8.00%                                 |
| 2019        | 1,715                          | 79,845                                                                 | 46,557                                                 | 6.70%                                 |
| 2020        | 1,729                          | 84,147                                                                 | 48,668                                                 | 5.40%                                 |
| 2021        | 1,738                          | 87,997                                                                 | 50,631                                                 | 12.90%                                |
| 2022        | 1,670                          | 93,189                                                                 | 55,802                                                 | 9.50%                                 |
| 2023        | 1,677                          | 97,786                                                                 | 58,310                                                 | 5.20%                                 |
| 2024        | 1,679                          | 93,886                                                                 | 55,918                                                 | 5.20%                                 |

**Source:**

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

b Personal income is calculated by multiplying per capita income by the population

c Per Capita Income US Department of Commerce, Bureau of Economic Analysis,  
November 2014

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



**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Full-time Equivalent District Employees by Function/Program,**  
**Last Ten Fiscal Years**  
*Unaudited*

| <b>Function/Program</b>                | <b>2015</b>  | <b>2016</b>  | <b>2017</b>  | <b>2018</b>  | <b>2019</b>  | <b>2020</b>  | <b>2021</b>  | <b>2022</b>  | <b>2023</b>  | <b>2024</b>  |
|----------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction                            |              |              |              |              |              |              |              |              |              |              |
| Regular                                | 17.00        | 17.00        | 16.00        | 16.00        | 16.00        | 16.00        | 16.00        | 17.00        | 17.00        | 17.00        |
| Special education                      | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         |
| Support Services:                      |              |              |              |              |              |              |              |              |              |              |
| Student & instruction related services | 2.20         | 2.20         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         | 2.50         |
| General administrative services        | 1.30         | 1.30         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         |
| School administrative services         | 1.80         | 1.80         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         |
| Business administrative                | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         |
| Plant operations and maintenance       | 3.10         | 3.10         | 3.50         | 3.50         | 3.50         | 3.50         | 3.50         | 3.50         | 3.50         | 3.50         |
| <b>Total</b>                           | <b>28.40</b> | <b>28.40</b> | <b>28.00</b> | <b>28.00</b> | <b>28.00</b> | <b>28.00</b> | <b>28.00</b> | <b>29.00</b> | <b>29.00</b> | <b>29.00</b> |

GASB requires this table to present the full-time equivalent district employees by function/program for the current year and the previous nine years, however only the last nine years information was available.

**Source: District Personnel Records**

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Operating Statistics**  
**Last Ten Fiscal Years**  
*Unaudited*

| Fiscal Year | Enrollment | Operating Expenditures <sup>a</sup> | Cost Per Pupil | Percentage Change | Teaching Staff <sup>b</sup> | Pupil/Teacher Ratio |                     |               | Average Daily Enrollment (ADE) <sup>c</sup> | Average Daily Attendance (ADA) <sup>c</sup> | % Change in Average Daily Enrollment | Student Attendance Percentage |
|-------------|------------|-------------------------------------|----------------|-------------------|-----------------------------|---------------------|---------------------|---------------|---------------------------------------------|---------------------------------------------|--------------------------------------|-------------------------------|
|             |            |                                     |                |                   |                             | Elementary          | Intermediate School | Middle School |                                             |                                             |                                      |                               |
| 2015        | 164        | 4,454,039.00                        | 27,158.77      | 3.60%             | 19.0                        |                     |                     |               | 164                                         | 155                                         | -7.34%                               | 94.51%                        |
| 2016        | 169        | 4,127,395.00                        | 24,422.46      | -10.08%           | 19.0                        |                     |                     |               | 171                                         | 162                                         | 4.27%                                | 94.74%                        |
| 2017        | 175        | 4,692,895.00                        | 26,816.54      | 9.80%             | 18.0                        |                     |                     |               | 174                                         | 162                                         | 1.75%                                | 93.10%                        |
| 2018        | 184        | 4,578,542.55                        | 24,883.38      | -7.21%            | 18.0                        |                     |                     |               | 174                                         | 162                                         | 0.00%                                | 93.10%                        |
| 2019        | 183        | 4,896,464.59                        | 26,756.64      | 7.53%             | 18.0                        |                     |                     |               | Not Available                               | Not Available                               |                                      |                               |
| 2020        | 196        | 4,631,798.05                        | 23,631.62      | -11.68%           | 18.0                        |                     |                     |               | Not Available                               | Not Available                               |                                      |                               |
| 2021        | 192        | 5,192,666.28                        | 27,045.14      | 14.44%            | 18.0                        |                     |                     |               | Not Available                               | Not Available                               |                                      |                               |
| 2022        | 195        | 5,632,702.60                        | 28,885.65      | 6.81%             | 19.0                        |                     |                     |               | 193                                         | 174                                         |                                      | 90.16%                        |
| 2023        | 169        | 5,948,230.83                        | 35,196.63      | 21.85%            | 19.0                        |                     |                     |               | 195                                         | 179                                         | 1.04%                                | 91.79%                        |
| 2024        | 188        | 5,946,351.25                        | 31,629.53      | -10.13%           | 19.0                        |                     |                     |               | 189                                         | 171                                         | -3.08%                               | 90.48%                        |

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

**Note:** Enrollment based on annual October district count.

<sup>a</sup> Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-1

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

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

CITY OF ESTELL MANOR SCHOOL DISTRICT  
School Building Information  
Last Ten Fiscal Years  
*Unaudited*

|                                       | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022   | 2023   | 2024   |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b><u>District Building</u></b>       |        |        |        |        |        |        |        |        |        |        |
| <b>Estell Manor Elementary School</b> |        |        |        |        |        |        |        |        |        |        |
| Square Feet                           | 43,366 | 43,366 | 43,366 | 43,366 | 43,366 | 43,366 | 43,366 | 43,366 | 43,366 | 43,366 |
| Capacity (students)                   | 877    | 877    | 877    | 877    | 877    | 877    | 877    | 877    | 877    | 877    |
| Enrollment                            | 164    | 171    | 174    | 184    | 183    | 196    | 192    | 181    | 194    | 188    |

Number of Schools at June 30, 2024  
Elementary Schools - 1

Source: District records, ASSA

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**General Fund**  
**Schedule of Required Maintenance for School Facilities**  
**Last Ten Years**  
*Unaudited*

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

| School Facilities        | Project # | 2015       | 2016       | 2017      | 2018       | 2019       | 2020       | 2021       | 2022      | 2023       | 2024       |
|--------------------------|-----------|------------|------------|-----------|------------|------------|------------|------------|-----------|------------|------------|
| <b>School Facilities</b> |           |            |            |           |            |            |            |            |           |            |            |
| Estell Manor School      | N/A       | 116,671.00 | 119,423.00 | 98,421.00 | 106,629.12 | 141,722.32 | 106,985.49 | 115,625.08 | 93,745.07 | 140,464.51 | 168,566.19 |
|                          |           |            |            |           |            |            |            |            |           |            |            |
| Grand Total              |           | 116,671.00 | 119,423.00 | 98,421.00 | 106,629.12 | 141,722.32 | 106,985.49 | 115,625.08 | 93,745.07 | 140,464.51 | 168,566.19 |



**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Insurance Schedule**  
**June 30, 2024**  
**Unaudited**

|                                                                                   | <u>Coverage</u> | <u>Deductible</u> |
|-----------------------------------------------------------------------------------|-----------------|-------------------|
| Atlantic and Cape May Counties School                                             |                 |                   |
| Business Officials Joint Insurance Fund                                           |                 |                   |
| Property/Inland/Marine/Automobile Physical Damage - JIF Self Insured Retention \$ | 250,000         | 500               |
| Crime-JIF Self Insured Retention                                                  | 250,000         | 500               |
| General Liability/Auto Liability - JIF Self Insured Retention                     | 250,000         |                   |
| Educators Legal Liability - JIF Self Insured Retention                            | 250,000         |                   |
| Workers Compensation - JIF Self Insured Retention                                 | 250,000         |                   |
| School Pool for Excess Liability Limits Joint Insurance Fund (SPELL JIF)          |                 |                   |
| Property/Inland Marine/Automobile Physical Damage                                 | 175,000,000     |                   |
| Crime                                                                             | 500,000         |                   |
| Workers Compensation                                                              | Statutory       |                   |
| - Employers Liability                                                             | 10,000,000      |                   |
| General Liability/Auto Liability                                                  | 2,700,000       |                   |
| Educators' Legal Liability                                                        | 2,700,000       |                   |
| Travelers Insurance Company                                                       |                 |                   |
| Boiler and Machinery                                                              | 125,000,000     | 1,000             |
| Beazley/Llyod's of London Insurance                                               |                 |                   |
| Environmental/Pollution Legal Liability                                           | 3,000,000       | 25,000-250,000    |
| Starr Indemnity & Liability Company                                               |                 |                   |
| Cyber Liability                                                                   | 2,000,000       | 50,000-100,000    |
| Llyod's of London Insurance                                                       |                 |                   |
| Crisis Protection & Disaster Management Services                                  | 1,000,000       | 10,000.00         |
| Selective Insurance Company                                                       |                 |                   |
| Surety Bonds                                                                      |                 |                   |
| Treasurer                                                                         | 200,000         |                   |
| Board Secretary/Business Administrator                                            | 200,000         |                   |

Source: District Records.

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## **Single Audit Section**

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K-1

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

The Honorable President and  
Members of the Board of Education  
City of Estell Manor School District  
County of Atlantic, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Estell Manor School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Estell Manor School District's basic financial statements, and have issued our report thereon dated November 27, 2024.

**Report on Internal Control over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Estell Manor School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Ford, Scott & Associates, L.L.C.*  
**FORD, SCOTT & ASSOCIATES, L.L.C.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

*Michael S. Garcia*

**Michael S. Garcia**  
**Certified Public Accountant**  
**Licensed Public School Accountant**  
**No. 2080**

**November 27, 2024**



K-2

**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**

Honorable President and  
Members of the Board of Education  
City of Estell Manor School District  
County of Atlantic, New Jersey

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

**Opinion on Each Major Federal & State Program**

We have audited the City of Estell Manor 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 City of Estell Manor School District's major federal and state programs for the year ended June 30, 2024. The City of Estell Manor 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 City of Estell Manor 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, 2024.

**Basis for Opinion on Each Major Federal & State Program**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, 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 City of Estell Manor 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 City of Estell Manor 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 occurred, whether due to fraud or error, and express an opinion on the City of Estell Manor 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 City of Estell Manor 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 City of Estell Manor 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 City of Estell Manor 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 City of Estell Manor 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 material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over



compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance 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.

*Ford, Scott & Associates, L.L.C.*  
FORD, SCOTT & ASSOCIATES, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

*Michael S. Garcia*

Michael S. Garcia  
Certified Public Accountant  
Licensed Public School Accountant  
No. 2080

November 27, 2024

CITY OF ESTELL MANOR SCHOOL DISTRICT  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2024

| Federal                                                                               |               | Federal FAN Number | Grant or State Project Number | Grant Period | Program or Award Amount | Balance June 30, 2023 | Carryover Amount | Cash Received | Budgetary Expenditures |        |        | (MEMO) Payable through to Sub-Recipients | Adjustments | Repayment of Prior Year's Balances | (Accounts Receivable) | Unearned Revenue | Balance at June 30, 2024 |
|---------------------------------------------------------------------------------------|---------------|--------------------|-------------------------------|--------------|-------------------------|-----------------------|------------------|---------------|------------------------|--------|--------|------------------------------------------|-------------|------------------------------------|-----------------------|------------------|--------------------------|
| CFDA                                                                                  | Program Title |                    |                               |              |                         |                       |                  |               | Pass Through           | Source | Direct | Total                                    |             |                                    |                       |                  |                          |
| U. S. Department of Agriculture                                                       |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| Passed-through State Department of Education:                                         |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| Enterprise Fund:                                                                      |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| 10.555                                                                                | 231NLS04N1099 | N/A                | 7/1/23 - 6/30/24              | 14,991.13    | \$                      | -                     | -                | 14,991.13     | (14,991.13)            |        |        | (14,991.13)                              |             | -                                  | -                     | -                | -                        |
| 10.553                                                                                | 231NLS04N1099 | N/A                | 7/1/23 - 6/30/24              | 10,230.16    | (814.71)                | -                     | -                | 614.71        | -                      |        |        | (10,916.98)                              |             | -                                  | (814.40)              | -                | -                        |
| 10.553                                                                                | 241NLS04N1099 | N/A                | 7/1/23 - 6/30/24              | 10,369.58    | (1,800.70)              | -                     | -                | 10,369.58     | (10,369.58)            |        |        | (10,369.58)                              |             | -                                  | -                     | -                | -                        |
| 10.555                                                                                | 241NLS04N1099 | N/A                | 7/1/23 - 6/30/24              | 26,660.29    | -                       | -                     | -                | 26,660.29     | (26,660.29)            |        |        | (26,660.29)                              |             | -                                  | (1,511.54)            | -                | -                        |
| 10.555                                                                                | 231NLS04N1099 | N/A                | 10/1/22 - 9/30/24             | 9,389.94     | -                       | -                     | -                | 9,389.94      | (9,389.94)             |        |        | (9,389.94)                               |             | -                                  | -                     | -                | -                        |
| 10.649                                                                                | 231NLS04S9009 | N/A                | 7/1/22 - 6/30/23              | 653.00       | -                       | -                     | -                | 653.00        | (653.00)               |        |        | (653.00)                                 |             | -                                  | -                     | -                | -                        |
| Total U.S. Department of Agriculture                                                  |               |                    |                               |              |                         | (2,415.41)            | -                | 62,967.81     | (62,611.34)            |        |        | (62,611.34)                              |             | -                                  | (2,098.94)            | -                | -                        |
| U.S. Department of Education                                                          |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| Passed-through State Department of Education:                                         |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| Special Revenue Fund:                                                                 |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| 84.010                                                                                | S010A200300   | NCLB302022         | 7/1/23 - 9/30/24              | 72,989.00    | -                       | -                     | -                | 72,989.00     | (72,989.00)            |        |        | (72,989.00)                              |             | -                                  | -                     | -                | -                        |
| 84.307A                                                                               | S367A230029   | NCLB302022         | 7/1/23 - 9/30/24              | 9,055.00     | 6,348.50                | -                     | -                | 7,554.00      | (7,554.00)             |        |        | (7,554.00)                               |             | -                                  | -                     | 6,674.50         | -                        |
| 84.424                                                                                | S42A200031    | NCLB302022         | 7/1/23 - 9/30/24              | 25,479.00    | -                       | -                     | -                | 10,000.00     | -                      |        |        | -                                        |             | -                                  | -                     | 10,000.00        | -                        |
| 84.424                                                                                | S42A200031    | NCLB302022         | 7/1/22 - 9/30/23              | 20,000.00    | -                       | -                     | -                | 10,000.00     | (10,000.00)            |        |        | (10,000.00)                              |             | -                                  | -                     | -                | -                        |
| Subtotal ESSA                                                                         |               |                    |                               |              |                         | 16,348.50             | -                | 90,867.00     | (90,542.00)            |        |        | (90,542.00)                              |             | -                                  | -                     | 16,674.50        | -                        |
| Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund: |               |                    |                               |              |                         |                       |                  |               |                        |        |        |                                          |             |                                    |                       |                  |                          |
| 84.425U                                                                               | S42E0210027   | N/A                | 3/13/2020-9/30/24             | 394,434.00   | (292,011.03)            | -                     | -                | 304,534.00    | (102,522.07)           |        |        | (102,522.07)                             |             | -                                  | -                     | -                | -                        |
| 84.425U                                                                               | S42E0210027   | N/A                | 3/13/2020-9/30/24             | 50,000.00    | (11,918.00)             | -                     | -                | 50,000.00     | (38,082.00)            |        |        | (38,082.00)                              |             | -                                  | -                     | -                | -                        |
| 84.425U                                                                               | S42E0210027   | N/A                | 3/13/2020-9/30/24             | 40,000.00    | (21,561.72)             | -                     | -                | 40,000.00     | (18,438.28)            |        |        | (18,438.28)                              |             | -                                  | -                     | -                | -                        |
| 84.425U                                                                               | S42E0210027   | N/A                | 3/13/2020-9/30/24             | 40,000.00    | (4,000.00)              | -                     | -                | 40,000.00     | (40,000.00)            |        |        | (40,000.00)                              |             | -                                  | -                     | -                | -                        |
| 84.425U                                                                               | S42E0210027   | N/A                | 3/13/2020-9/30/24             | 45,000.00    | (44,999.00)             | -                     | -                | 44,999.00     | (1.00)                 |        |        | (1.00)                                   |             | -                                  | -                     | -                | -                        |
| 84.027                                                                                | H027A200100   | FT05               | 7/1/23 - 9/30/24              | 68,543.00    | -                       | -                     | -                | 68,543.00     | (68,543.00)            |        |        | (68,543.00)                              |             | -                                  | -                     | -                | -                        |
| 84.173                                                                                | H17A200114    | FT05               | 7/1/23 - 9/30/24              | 1,912.00     | -                       | -                     | -                | 1,912.00      | (1,912.00)             |        |        | (1,912.00)                               |             | -                                  | -                     | -                | -                        |
| REAP Grant                                                                            |               |                    |                               |              |                         | (290,490.05)          | -                | 531,550.00    | (269,498.35)           |        |        | (269,498.35)                             |             | -                                  | (18,439.00)           | -                | -                        |
| Total Special Revenue Fund                                                            |               |                    |                               |              |                         | (14,265.60)           | -                | 16,260.00     | (32,198.00)            |        |        | (32,198.00)                              |             | -                                  | (30,204.60)           | -                | -                        |
| Total Federal Financial Awards                                                        |               |                    |                               |              |                         | (279,405.75)          | -                | 638,677.00    | (592,239.35)           |        |        | (592,239.35)                             |             | -                                  | (48,843.60)           | -                | -                        |
|                                                                                       |               |                    |                               |              |                         | \$ (280,822.16)       | -                | 701,644.81    | (454,850.69)           |        |        | (454,850.69)                             |             | -                                  | (50,702.54)           | -                | -                        |

**CITY OF ESTELL MANOR SCHOOL DISTRICT**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Fiscal Year Ended June 30, 2024**

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Schedule B

| Federal Grantor/Pass-Through Grantor/<br>Program Title     | Grant or State<br>Project Number | Grant<br>Period | Award<br>Amount | Balance at June 30, 2023                   |                   |                  | Balance at June 30, 2024  |             |                          | MEMO                |                   |                         |                                     |
|------------------------------------------------------------|----------------------------------|-----------------|-----------------|--------------------------------------------|-------------------|------------------|---------------------------|-------------|--------------------------|---------------------|-------------------|-------------------------|-------------------------------------|
|                                                            |                                  |                 |                 | Deferred Revenue/<br>(Accounts Receivable) | Due to<br>Grantor | Cash<br>Received | Budgetary<br>Expenditures | Adjustments | (Accounts<br>Receivable) | Unearned<br>Revenue | Due to<br>Grantor | Budgetary<br>Receivable | Cumulative<br>Total<br>Expenditures |
| State Department of Education                              |                                  |                 |                 |                                            |                   |                  |                           |             |                          |                     |                   |                         |                                     |
| General Fund:                                              |                                  |                 |                 |                                            |                   |                  |                           |             |                          |                     |                   |                         |                                     |
| Categorical Special Education Aid                          | 24-495-034-5120-089              | 7/1/23-6/30/24  | 167,247.00 \$   |                                            |                   | 167,247.00       | (167,247.00)              |             |                          |                     |                   | 15,380.00               | 167,247.00                          |
| Equalization Aid                                           | 24-495-034-5120-078              | 7/1/23-6/30/24  | 1,241,767.00    |                                            |                   | 1,241,767.00     | (1,241,767.00)            |             |                          |                     |                   | 114,191.00              | 1,241,767.00                        |
| Categorical Security Aid                                   | 24-495-034-5120-084              | 7/1/23-6/30/24  | 34,171.00       |                                            |                   | 34,171.00        | (34,171.00)               |             |                          |                     |                   | 3,142.00                | 34,171.00                           |
| School Choice                                              | 24-495-034-5120-068              | 7/1/23-6/30/24  | 341,282.00      |                                            |                   | 341,282.00       | (341,282.00)              |             |                          |                     |                   | 31,385.00               | 341,282.00                          |
| On-Behalf TPAF Pension Contribution                        | 24-495-034-5094-003              | 7/1/23-6/30/24  | 567,406.00      |                                            |                   | 567,406.00       | (567,406.00)              |             |                          |                     |                   | -                       | 567,406.00                          |
| On-Behalf TPAF Post-Retirement Medical Contribution        | 24-495-034-5094-001              | 7/1/23-6/30/24  | 154,427.00      |                                            |                   | 154,427.00       | (154,427.00)              |             |                          |                     |                   | -                       | 154,427.00                          |
| On-Behalf TPAF Long-Term Disability Insurance Contribution | 24-495-034-5094-004              | 7/1/23-6/30/24  | 185.00          |                                            |                   | 185.00           | (185.00)                  |             |                          |                     |                   | -                       | 185.00                              |
| Extraordinary Aid                                          | 24-495-034-5120-044              | 7/1/23-6/30/24  | 11,367.00       |                                            |                   | 11,367.00        | (11,367.00)               |             |                          |                     |                   | (11,367.00)             | 11,367.00                           |
| Extraordinary Aid                                          | 23-495-034-5120-044              | 7/1/22-6/30/23  | 15,916.00       | (15,916.00)                                |                   | 15,916.00        | -                         |             |                          |                     |                   | -                       | 15,916.00                           |
| Reimbursed Non Public Transportation Aid                   | 23-495-034-5120-014              | 7/1/22-6/30/23  | 3,120.00        | (3,120.00)                                 |                   | 3,120.00         | -                         |             |                          |                     |                   | -                       | 3,120.00                            |
| Reimbursed Non Public Transportation Aid                   | 23-495-034-5120-014              | 7/1/23-6/30/24  | 6,370.00        |                                            |                   | 732.00           | (6,370.00)                |             |                          |                     |                   | -                       | 6,370.00                            |
| Reimbursed TPAF Social Security Contributions              | 23-495-034-5094-003              | 7/1/22-6/30/23  | 123,456.29      | (732.00)                                   |                   | 113,025.51       | (125,355.81)              |             |                          |                     |                   | -                       | 123,456.29                          |
| Reimbursed TPAF Social Security Contributions              | 24-495-034-5094-003              | 7/1/23-6/30/24  | 125,355.81      |                                            |                   | 113,025.51       | (125,355.81)              |             |                          |                     |                   | -                       | 125,355.81                          |
| Total General Fund                                         |                                  |                 |                 | (19,768.00)                                | -                 | 2,639,288.51     | (2,649,587.81)            | -           | (30,067.30)              | -                   | -                 | 164,098.00              | 2,782,080.10                        |
| Special Revenue Fund                                       |                                  |                 |                 |                                            |                   |                  |                           |             |                          |                     |                   |                         |                                     |
| Preschool Education Expansion Grant                        | 24-495-034-5120-086              | 7/1/23-6/30/24  | 342,864.00      |                                            |                   | 342,864.00       | (283,720.77)              |             |                          | 59,143.23           |                   | 34,135.00               | 283,720.77                          |
| Preschool Education Expansion Grant                        | 23-495-034-5120-086              | 7/1/22-6/30/23  | 269,900.00      | 45,508.71                                  |                   |                  | (45,508.71)               |             |                          | 60.00               |                   | -                       | 269,900.00                          |
| Climate Control                                            | 23-534-042-4890-003              | 7/1/22-6/30/23  | 6,660.00        | 60.00                                      |                   |                  | -                         |             |                          | -                   |                   | -                       | 6,600.00                            |
| Total Special Revenue Fund                                 |                                  |                 |                 | 45,568.71                                  | -                 | 342,864.00       | (329,229.48)              | -           | -                        | 59,203.23           | -                 | 34,135.00               | 560,220.77                          |
| Enterprise Fund:                                           |                                  |                 |                 |                                            |                   |                  |                           |             |                          |                     |                   |                         |                                     |
| National School Lunch Program (State Share)                | 23-100-010-3350-023              | 7/1/22-6/30/23  | 893.30          | (61.30)                                    |                   | 61.30            | -                         |             |                          | -                   |                   | -                       | 893.30                              |
| National School Lunch Program (State Share)                | 24-100-010-3350-023              | 7/1/23-6/30/24  | 1,337.77        |                                            |                   | 1,243.08         | (1,337.77)                |             |                          | (94.69)             |                   | -                       | 1,337.77                            |
| National School Breakfast Program (State Share)            | 24-100-010-3350-021              | 7/1/23-6/30/24  | 1,227.60        |                                            |                   | 1,170.70         | (1,227.60)                |             |                          | (56.90)             |                   | -                       | 1,227.60                            |
| National School Breakfast Program (State Share)            | 23-100-010-3350-021              | 7/1/22-6/30/23  | 35.20           | (6.90)                                     |                   | 6.90             | -                         |             |                          | -                   |                   | -                       | 35.20                               |
| Total Enterprise Fund                                      |                                  |                 |                 | (68.20)                                    | -                 | 2,481.98         | (2,565.37)                | -           | (151.59)                 | -                   | -                 | -                       | 3,493.87                            |
| Total State Financial Assistance                           |                                  |                 |                 | 25,732.51                                  | -                 | 2,984,634.49     | (2,981,382.66)            | -           | (30,218.89)              | 59,203.23           | -                 | 198,233.00              | 3,355,794.74                        |
| Less: On-Behalf Payments                                   |                                  |                 |                 |                                            |                   |                  |                           |             |                          |                     |                   |                         |                                     |
| Pension Contribution                                       | 24-495-034-5094-003              |                 |                 |                                            |                   | (567,406.00)     | 567,406.00                |             |                          |                     |                   | -                       |                                     |
| Post-Retirement Medical Contribution                       | 24-495-034-5094-001              |                 |                 |                                            |                   | (154,427.00)     | 154,427.00                |             |                          |                     |                   | -                       |                                     |
| Long-term Disability Insurance Contribution                | 24-495-034-5094-004              |                 |                 |                                            |                   | (185.00)         | 185.00                    |             |                          |                     |                   | -                       |                                     |
| Total State Financial Assistance                           |                                  |                 | \$              | 25,732.51                                  | -                 | 2,262,616.49     | (2,259,384.66)            | -           | (30,218.89)              | 59,203.23           | -                 | 198,233.00              | 2,788,388.74                        |

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.

**City of Estell Manor School District**  
**Notes to the Schedules of Financial Assistance**  
**June 30, 2024**

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information included in this schedule is presented in accordance with the requirements of OMB Uniform Guidance and NJ OMB 15-08. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97 (A3521). 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 net adjustment to reconcile from the budgetary basis to the GAAP basis is \$7,266.00 for the general fund and (\$7,294.00) for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis:

**City of Estell Manor School District**  
**Notes to the Schedules of Financial Assistance**  
**June 30, 2024**

|                      | <u>Federal</u>       | <u>State</u>        | <u>On-Behalf Payments</u> | <u>Total</u>        |
|----------------------|----------------------|---------------------|---------------------------|---------------------|
| General Fund         | \$                   | 2,656,853.81        | (722,018.00)              | 1,934,835.81        |
| Special Revenue Fund | 392,239.35           | 321,935.48          |                           | 714,174.83          |
| Food Service Fund    | 62,611.34            | 2,565.37            |                           | 65,176.71           |
|                      | <u>\$ 454,850.69</u> | <u>2,981,354.66</u> | <u>(722,018.00)</u>       | <u>2,714,187.35</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 amounts reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the district for the year ended June 30, 2024. 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, 2024.

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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***Part I -- Summary of Auditor's Results***

**Financial Statement Section**

|                                                       |            |   |    |
|-------------------------------------------------------|------------|---|----|
| Type of auditor's report issued:                      | Unmodified |   |    |
| <hr/>                                                 |            |   |    |
| Internal control over financial reporting:            |            |   |    |
| 1) Material weakness(es) identified?                  | yes        | X | no |
| 2) Significant deficiency(ies) identified             | yes        | X | no |
| Noncompliance material to financial statements noted? | yes        | X | no |

**Federal Awards Section**

Not Applicable

|                                                                                                                     |       |  |    |
|---------------------------------------------------------------------------------------------------------------------|-------|--|----|
| Internal Control over major programs:                                                                               |       |  |    |
| 1) Material weakness(es) identified?                                                                                | yes   |  | no |
| 2) Significant deficiency(ies) identified                                                                           | yes   |  | no |
| Type of auditor's report on compliance for major programs                                                           | <hr/> |  |    |
| Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Uniform Guidance | yes   |  | no |

Identification of major programs:

| <u>CFDA Number(s)</u> | <u>FAIN Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-----------------------|-----------------------|-------------------------------------------|
| <hr/>                 |                       |                                           |
| <hr/>                 |                       |                                           |
| <hr/>                 |                       |                                           |
| <hr/>                 |                       |                                           |
| <hr/>                 |                       |                                           |

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

---

|                                        |     |    |     |
|----------------------------------------|-----|----|-----|
| Auditee qualified as low-risk auditee? | yes | no | n/a |
|----------------------------------------|-----|----|-----|

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

***Part I -- Summary of Auditor's Results***

**State Awards Section**

Internal Control over major programs:

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

2) Significant deficiency(ies) identified                      yes           X           no

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

Unmodified

Any audit findings disclosed that are required to  
be reported in accordance with NJ OMB  
Circular 15-08?

                     yes           X           no

Identification of major programs:

GMIS Number(s)

Name of State Program

**State Aid Cluster**

Equalization Aid

Special Education Categorical Aid

Security Aid

School Choice

**PreSchool Education Aid**

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

\$750,000

Auditee qualified as low-risk auditee?

          X           yes                      no

**CITY OF ESTELL MANOR SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDING JUNE 30, 2024**

**Part 2 – Schedule of Financial Statement Findings**

None

**Part 3 – Schedule of Federal and State Award Findings and Questioned Costs**

None



**CITY OF ESTELL MANOR SCHOOL DISTRICT  
SUMMARY OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDING JUNE 30, 2024**

**Status of Prior Year Findings**

None