

**TOWN OF BOONTON SCHOOL DISTRICT**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Town of Boonton School District**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT  
of the  
Town of Boonton School District  
Boonton, New Jersey  
For The Fiscal Year Ended June 30, 2024**

**Prepared by  
Business Office**



**BOONTON PUBLIC SCHOOLS**  
**BOARD OF EDUCATION OFFICE**

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October 28, 2024

Honorable President and  
Members of the Board of Education  
Boonton Town Board of Education  
434 Lathrop Avenue  
Boonton, New Jersey 07005

Dear Board Members:

The Annual Comprehensive Financial Report of the Town of Boonton Public Schools 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 basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1) **REPORTING ENTITY AND SERVICES:** The Boonton Public School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds of the District are included in this report. The Boonton Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through 12 for the students residing in Boonton and to grade levels 9 through 12 for the students residing in Lincoln Park. These include regular and vocational, as well as special



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education for disabled youngsters. The District completed the 2023-24 fiscal year with an average daily enrollment of 1,503 students, an increase of 19 students over the previous year's enrollment.

The following details the changes in the student average daily enrollment of the district over the last ten years:

<u>Fiscal Year</u>	<u>Avg Daily Enrollment</u>	<u>Percent Change</u>
2014-2015	1,308	1.2%
2015-2016	1,353	3.4%
2016-2017	1,404	3.8%
2017-2018	1,408	0.3%
2018-2019	1,410	0.1%
2019-2020	1,438	2.1%
2020-2021	1,419	-1.3%
2021-2022	1,446	1.9%
2022-2023	1,484	2.7%
2023-2024	1,503	1.3%

2) **ECONOMIC CONDITIONS AND OUTLOOK:** The School District continues to monitor the ratable base for the Town. Short term trends continue to indicate that ratables will remain flat. An increase in housing projects is in the preliminary stages of development. If these projects come to fruition, the burden on the District to provide services could increase. The District's budget for the 2024-2025 fiscal year includes a 4.22% increase in the local tax levy (2.0% plus enrollment adjustment of 2.2%). At the close of the 2023-2024 fiscal year, the Teachers' contract will expire, and the Administrators' contract will have an additional year.

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

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





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

4) **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by County. Annual appropriated budgets are adopted for the general fund, the special revenue fund and debt service 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 30, 2024.

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

6) **FINANCIAL INFORMATION AT FISCAL YEAR END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. A detailed Management Discussion and Analysis follows this section of the report that discussed the District's financial performance for the year ended June 30, 2024.

7) **DEBT ADMINISTRATION:** During the 2023-2024 fiscal year the District did not obtain additional debt through referendum. The District continues to maintain and service its bond debt from previously financed obligations.

8) **CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan 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 secure in accordance with the Act.

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

10) **OTHER INFORMATION:** Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm



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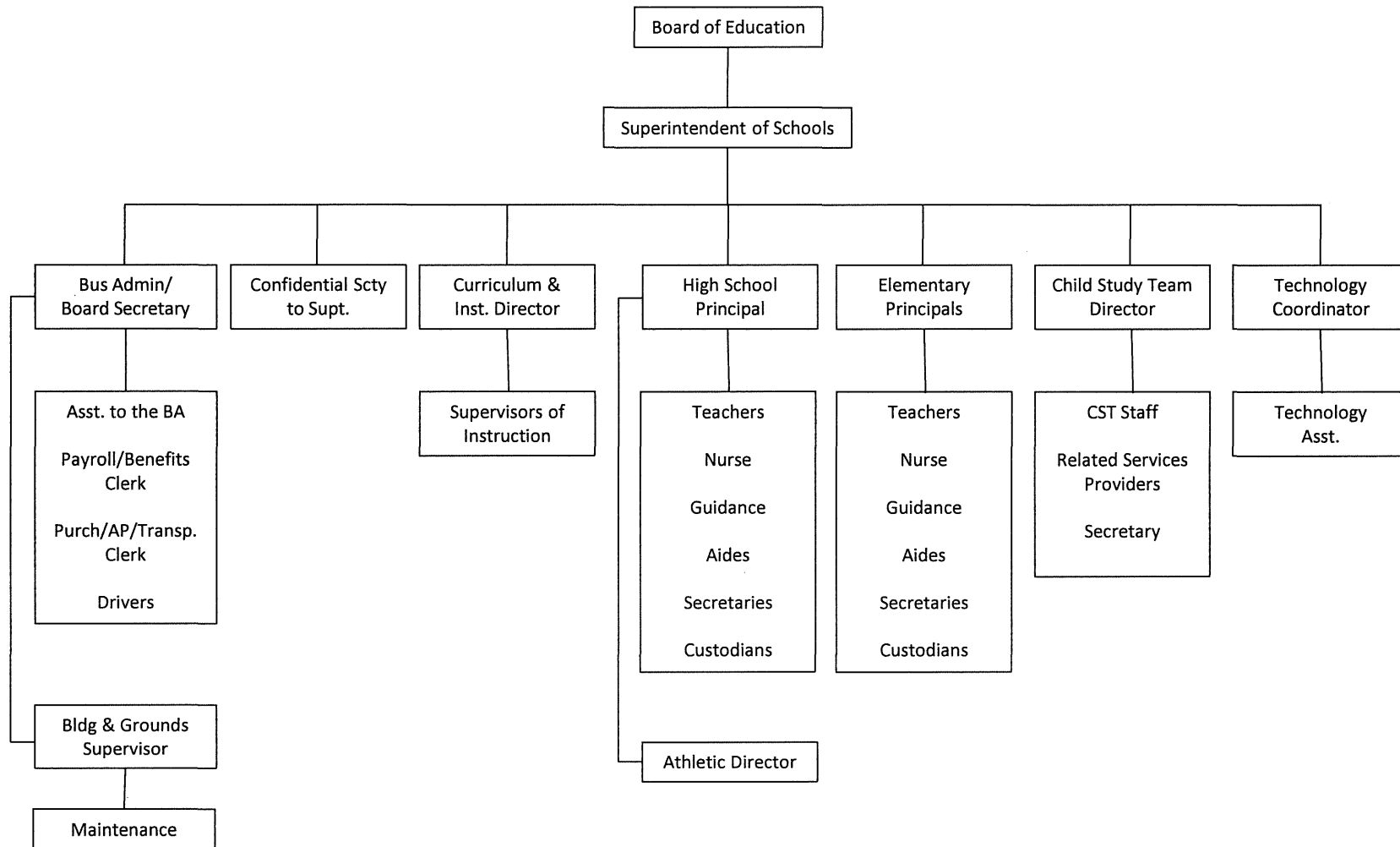
of Lerch, Vinci, Bliss, LLP, was appointed by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of U.S. Uniform Guidance and New Jersey's OMB Circular NJOMB 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific required supplementary information 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.

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

Respectfully submitted,

Mr. Thomas Valle  
Acting Superintendent of Schools

Mr. Steven Gardberg,  
School Business Administrator  
Board Secretary



**TOWN OF BOONTON SCHOOL DISTRICT  
BOONTON, NEW JERSEY**

**ROSTER OF OFFICIALS**

**JUNE 30, 2024**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires (December)</u></b>
Irene LeFebvre, President	2024
Jennifer Darling, Vice-President	2026
Christopher J. Cartelli	2025
Elaine Doherty	2025
Brianna O'Halloran	2026
Daniel Piccioni	2026
Patrick Joyce	2024
Loren Katsakos	2024
Matthew Mondino	2025

**Other Officers**

Thomas Valle, Superintendent of Schools

Steven Gardberg, Board Secretary/Business Administrator

# **BOONTON SCHOOL DISTRICT**

## **Consultants & Advisors**

**June 30, 2024**

### **District Auditor**

Lerch, Vinci & Bliss, LLP  
17-17 Route 208N  
Fair Lawn, New Jersey 07410

### **Attorney**

James L. Plosia, Esq.  
Plosia Cohen Law Firm  
Chester Woods Complex  
385 Route 24, Suite 3G  
Chester, NJ 07930

### **Official Depositories**

Lakeland Bank  
Boonton, NJ 07005



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## **FINANCIAL SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA  
ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, New Jersey

### **Report on the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Town of Boonton School District, as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Town of Boonton 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, 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 the Financial Statements section of our report. We are required to be independent of the Town of Boonton 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 Town of Boonton 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 Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, 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 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 Town of Boonton School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Boonton School District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Boonton School District's basic financial statements. The accompanying 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 schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Town of Boonton School District. Such information is the responsibility of management and was derived from and relate 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 schedules of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Information***

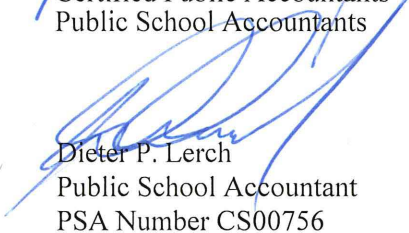
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, financial schedules and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 2024 on our consideration of the Town of Boonton 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 Town of Boonton School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town of Boonton School District's internal control over financial reporting and compliance.

  
LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants

  
Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
October 28, 2024

**REQUIRED SUPPLEMENTARY INFORMATION – PART I**



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**TOWN OF BOONTON SCHOOL DISTRICT  
BOONTON, NEW JERSEY**

**Management's Discussion and Analysis  
for the Fiscal Year Ended June 30, 2024**

This discussion and analysis of the Town of Boonton School District's financial performance provides an overall review of its financial activities for the fiscal year ended June 30, 2024. The intent of this analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year (2023-2024) and the prior year (2022-2023) is required to be presented in the MD&A.

**Financial Highlights**

Key financial highlights for fiscal year 2024 are as follows:

- The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources at year end by \$4,583,477 (net position). The District's net position increased \$403,207 from the previous year.
- General revenues accounted for \$25,968,647, or 59, percent of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$18,151,912 or 41 percent, of total revenues of \$44,120,559.
- The School District had \$42,150,227 in expenses for governmental activities; \$16,713,506 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) were adequate to provide funding for the balance of these programs.
- Among governmental funds, the General Fund had \$40,266,826 in revenues and other financing sources and \$40,491,916 in expenditures and other financing uses. The General Fund's fund balance decreased \$225,090 from 2023.

## **Using this Annual Comprehensive Financial Report (ACFR)**

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

The Statement of Net Position and Statement of Activities provide information about the activities of the entire District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements show how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at significant funds with all other non-major funds presented in one total column. The General Fund is by far the most significant fund.

## **Reporting the School District as a Whole**

### **Statement of Net Position and the Statement of Activities**

While this document reports on all funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2024?" The Statement of Net Position and the Statement of Activities answer that question. These statements include all assets, deferred inflows of resources and liabilities and deferred outflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid, as well as the activity of capital assets and long-term liabilities.

These two statements report the School District's net position and changes in those position. This change is important because it tells the reader that, for the school district as a whole, its financial position improved or diminished. The causes of this change may be the result of many factors. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, and reserve balances, facility condition, required educational programs and other factors.

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

- **Governmental Activities** – All programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – These services are provided on a charge-for- goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Bridges to Learning Program Enterprise Funds are reported as major business-type activities.

## **Reporting the District's Most Significant Funds**

### **Fund Financial Statements**

Fund financial statements provide detailed information about the District's funds. The District's governmental funds include the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

## Reporting the District's Most Significant Funds (Continued)

### Governmental Funds

The District's activities are reported in governmental funds. These funds are reported using an accounting method known as modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

### Enterprise Fund

The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same as the District-wide statements.

### The District as a Whole

The Statement of Net Position provides one perspective of the District as a whole.

A comparative summary of the District's net position as of June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Current and Other Assets	\$ 3,825,542	\$ 4,205,022
Capital Assets, net of accumulated depreciation	<u>21,806,796</u>	<u>22,344,886</u>
<b>Total Assets</b>	<u>25,632,338</u>	<u>26,549,908</u>
<b>Deferred Outflows of Resources</b>	<u>1,287,629</u>	<u>2,000,217</u>
<b>Total Assets and Deferred Outflows of Resources</b>	<u>26,919,967</u>	<u>28,550,125</u>
<b>Liabilities</b>		
Long-Term Liabilities	20,177,570	21,593,241
Other Liabilities	<u>1,709,645</u>	<u>1,620,595</u>
<b>Total Liabilities</b>	<u>21,887,215</u>	<u>23,213,836</u>
<b>Deferred Inflows of Resources</b>	<u>449,275</u>	<u>1,156,019</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>22,336,490</u>	<u>24,369,855</u>
<b>Net Position</b>		
Net Investment in Capital Assets	9,315,019	8,797,360
Restricted	1,400,349	691,112
Unrestricted	<u>(6,131,891)</u>	<u>(5,308,202)</u>
<b>Total Net Position</b>	<u>\$ 4,583,477</u>	<u>\$ 4,180,270</u>

A comparative schedule of the changes in net position for fiscal years ended June 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
<b>Revenues</b>		
Program Revenues:		
Charges for Services	\$ 6,430,713	\$ 7,517,612
Grants and Contributions	11,721,199	12,191,132
General Revenues:		
Property Taxes	22,927,943	22,046,490
Grants and Entitlements	2,750,537	2,331,474
Other	<u>290,167</u>	<u>167,212</u>
<b>Total Revenues</b>	<u>44,120,559</u>	<u>44,253,920</u>
<b>Program Expenses</b>		
Instruction	25,891,586	25,222,941
Support Services:		
Pupils and Instructional Staff	8,235,473	8,217,227
General, School and Central Administration	2,822,158	2,641,660
Operations and Maintenance of Facilities	3,335,597	3,083,307
Pupil Transportation	1,351,676	1,295,414
Interest on Debt	513,737	557,393
Food Service	746,221	754,009
Bridges to Learning	<u>820,904</u>	<u>846,401</u>
<b>Total Expenses</b>	<u>43,717,352</u>	<u>42,618,352</u>
Increase in Net Position	<u>\$ 403,207</u>	<u>\$ 1,635,568</u>

### Governmental Activities

Property taxes made up 52 percent of revenues for governmental activities for the Town of Boonton School District in fiscal year 2024. The District's total revenues from governmental activities were \$42,680,529 for the year ended June 30, 2024. Charges for services accounted for 13 percent of this total revenue. Federal, state, and local grants, contributions and entitlements accounted for 33 percent of this total revenue. The total cost of all governmental programs and services was \$42,150,227. Instruction comprises 61 percent of District governmental expenses.

### Business-Type Activities

Revenues for the District's business-type activities (food service and bridges to learning) were comprised of charges for services and government reimbursements.

- Enterprise Fund expenses exceeded revenues by \$104,742.
- Charges for services represent 74 percent of revenue. This represents amounts paid for food service and tuition for the bridges to learning program. State and federal subsidies account for the remaining 26 percent.
- Federal and state reimbursements for food service amounted to \$373,510 of total Enterprise Fund revenues.

## Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The total cost of services and the net cost of services for the years ended June 30, 2024 and 2023 are summarized below. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Instruction	\$ 25,891,586	\$ 25,222,941	\$ 12,415,554	\$ 10,868,638
Support Services				
Pupils and Instructional Staff	8,235,473	8,217,227	5,953,936	5,963,025
General, School and Central Admin.	2,822,158	2,641,660	2,465,301	2,290,762
Operation and Maintenance of Facilities	3,335,597	3,083,307	2,939,318	2,681,916
Pupil Transportation	1,351,676	1,295,414	1,284,548	1,110,399
Interest on Long-Term Debt	<u>513,737</u>	<u>557,393</u>	<u>378,064</u>	<u>414,661</u>
<b>Total</b>	<u>\$ 42,150,227</u>	<u>\$ 41,017,942</u>	<u>\$ 25,436,721</u>	<u>\$ 23,329,401</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interactions between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

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

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

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the District.

## The District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$45,676,977 and expenditures were \$46,017,050.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound fiscal management. The following schedule presents a comparative summary of the governmental fund revenues for the fiscal years ended June 30, 2024 and 2023.

<u>Revenue</u>	<u>Year Ended</u>		<u>Amount of</u>	<u>Percent</u>
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Increase</u> <u>(Decrease)</u>
Local Sources	\$ 28,597,916	\$ 28,623,226	\$ (25,310)	-0.1%
State Sources	15,334,654	13,856,465	1,478,189	10.7%
Federal Sources	<u>1,744,407</u>	<u>1,764,828</u>	<u>(20,421)</u>	-1.2%
Total Revenues	<u>\$ 45,676,977</u>	<u>\$ 44,244,519</u>	<u>\$ 1,432,458</u>	3.2%

The following schedule represents a comparative summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal years ended June 30, 2024 and 2023.

<u>Expenditures</u>	<u>Year Ended</u>		<u>Amount of</u>	<u>Percent</u>
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Increase</u> <u>(Decrease)</u>
Current				
Instruction	\$ 28,102,503	\$ 26,967,535	\$ 1,134,968	4.2%
Support Services	15,750,441	15,214,621	535,820	3.5%
Capital Outlay	572,643	444,793	127,850	28.7%
Debt Service				
Principal	1,056,275	1,292,872	(236,597)	-18.3%
Interest and Other	<u>535,188</u>	<u>571,723</u>	<u>(36,535)</u>	-6.4%
Total Expenditures	<u>\$ 46,017,050</u>	<u>\$ 44,491,544</u>	<u>\$ 1,525,506</u>	3.4%



## General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to prevent over expenditures in specific line item accounts.

## Capital Assets

At the end of fiscal year 2024, the District had \$39,351,502 invested in land, construction in progress, buildings, furniture, equipment and vehicles. Accumulated depreciation on these assets at June 30, 2024 was \$17,544,706. The Table below compares the fiscal year 2024 balances to the 2023 balances.

### Capital Assets (Net of Depreciation) at June 30

	<u>2024</u>	<u>2023</u>
Land	\$ 471,800	\$ 471,800
Building and Building Improvements	20,783,131	20,836,673
Machinery and Equipment	551,865	691,945
Construction in Progress	<u>-</u>	<u>344,468</u>
<b>Total Capital Assets, Net</b>	<b><u>\$ 21,806,796</u></b>	<b><u>\$ 22,344,886</u></b>

## Debt Administration

At June 30, 2024, the District had \$20,177,570 of long-term liabilities. Of this amount, \$376,592 is for compensated absences, \$70,555 is for capital and other financing agreements, \$6,915,045 is for net pension liability and \$12,815,378 is for outstanding serial bonds issued to fund school construction projects (net of unamortized premium).

## For the Future

Currently, the District is in stable financial condition, given the financial limits placed on school districts by the state law. Everyone associated with the Town of Boonton School District is grateful for the community support of the schools. A major concern is continued enrollment growth. This, in an environment of flat state funding, means an ever-increasing reliance on local property taxes

In conclusion, the Town of Boonton School District has committed itself to financial excellence for many years. Its system for financial planning, budgeting, and internal financial controls is audited annually and it plans to continue to manage its finances in order to meet the many challenges ahead.

## Contacting the District's Financial Management

If you have questions about this report or need additional information, contact the School Business Administrator at the Town of Boonton School District, 434 Lathrop Avenue, Boonton, NJ.

## **BASIC FINANCIAL STATEMENTS**

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## **DISTRICT-WIDE FINANCIAL STATEMENTS**

**TOWN OF BOONTON SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**AS OF JUNE 30, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 2,751,722	\$ 418,181	\$ 3,169,903
Receivables, Net:			
Receivables from Other Governments	565,273	57,181	622,454
Other		29,779	29,779
Internal Balances	(15,689)	15,689	
Inventory		3,406	3,406
Capital Assets:			
Not Being Depreciated	471,800		471,800
Being Depreciated, Net	<u>21,185,119</u>	<u>149,877</u>	<u>21,334,996</u>
Total Assets	<u>24,958,225</u>	<u>674,113</u>	<u>25,632,338</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding	394,156		394,156
Deferred Amount on Net Pension Liability	<u>893,473</u>	<u>-</u>	<u>893,473</u>
Total Deferred Outflows of Resources	<u>1,287,629</u>	<u>-</u>	<u>1,287,629</u>
Total Assets and Deferred Outflows of Resources	<u>26,245,854</u>	<u>674,113</u>	<u>26,919,967</u>
<b>LIABILITIES</b>			
Accounts Payable and Other Liabilities	460,291	20,130	480,421
Payable to Other Governments	59,840		59,840
Deposits Payable	909,809		909,809
Unearned Revenue	29,128	8,980	38,108
Accrued Interest	221,467		221,467
Noncurrent Liabilities			
Due Within One Year	1,065,555		1,065,555
Due Beyond One Year	<u>19,112,015</u>	<u>-</u>	<u>19,112,015</u>
Total Liabilities	<u>21,858,105</u>	<u>29,110</u>	<u>21,887,215</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Amount on Net Pension Liability	447,347		447,347
Deferred Government Commodities	<u>-</u>	<u>1,928</u>	<u>1,928</u>
Total Deferred Inflows of Resources	<u>447,347</u>	<u>1,928</u>	<u>449,275</u>
Total Liabilities and Deferred Inflows of Resources	<u>22,305,452</u>	<u>31,038</u>	<u>22,336,490</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	9,165,142	149,877	9,315,019
Restricted for:			
Capital Projects	963,903		963,903
Other Purposes	436,446		436,446
Unrestricted	<u>(6,625,089)</u>	<u>493,198</u>	<u>(6,131,891)</u>
Total Net Position	<u>\$ 3,940,402</u>	<u>\$ 643,075</u>	<u>\$ 4,583,477</u>

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

**TOWN OF BOONTON SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Governmental Activities							
Instruction:							
Regular	\$ 15,563,027	\$ 4,347,256	\$ 4,640,477		\$ (6,575,294)		\$ (6,575,294)
Special Education	8,003,805	878,802	3,175,477		(3,949,526)		(3,949,526)
Other Instruction	1,051,171		226,849		(824,322)		(824,322)
School Sponsored Activities and Athletics	1,273,583	138,335	68,836		(1,066,412)		(1,066,412)
Support Services							
Student and Instruction Related Services	8,235,473		2,281,537		(5,953,936)		(5,953,936)
General Administrative Services	852,059		21,451		(830,608)		(830,608)
School Administrative Services	1,328,363		206,155		(1,122,208)		(1,122,208)
Central and Other Support Services	641,736		129,251		(512,485)		(512,485)
Plant Operations and Maintenance	3,335,597		396,279		(2,939,318)		(2,939,318)
Pupil Transportation	1,351,676	1,424	65,704		(1,284,548)		(1,284,548)
Interest on Long-Term Debt	513,737	-	135,673	-	(378,064)	-	(378,064)
Total Governmental Activities	42,150,227	5,365,817	11,347,689	-	(25,436,721)	-	(25,436,721)
Business-Type Activities							
Food Service	746,221	319,956	373,510			\$ (52,755)	(52,755)
Bridges to Learning	820,904	744,940	-	-	-	(75,964)	(75,964)
Total Business-Type Activities	1,567,125	1,064,896	373,510	-	-	(128,719)	(128,719)
Total Primary Government	\$ 43,717,352	\$ 6,430,713	\$ 11,721,199	\$ -	(25,436,721)	(128,719)	(25,565,440)
General Revenues:							
Property Taxes:							
Levied for General Purposes					21,829,868		21,829,868
Levied for Debt Service					1,098,075		1,098,075
Federal and State Aid, Unrestricted					2,508,835		2,508,835
State Aid Restricted for Debt Service					241,702		241,702
Investment Earnings					56,774	1,624	58,398
Miscellaneous Income					231,769		231,769
Transfers					(22,353)	22,353	-
Total General Revenues and Transfers					25,944,670	23,977	25,968,647
Change in Net Position					507,949	(104,742)	403,207
Net Position, Beginning of Year					3,432,453	747,817	4,180,270
Net Position, End of Year					\$ 3,940,402	\$ 643,075	\$ 4,583,477

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

## FUND FINANCIAL STATEMENTS

**TOWN OF BOONTON SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 2,375,623	\$ 376,099			\$ 2,751,722
Receivables, Net					
Federal Government		273,768			273,768
State Government	55,496	1,024			56,520
Other Local Governments	234,985				234,985
Due from Other Funds	323,013	-	-	-	323,013
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 2,989,117</u>	<u>\$ 650,891</u>	<u>-</u>	<u>-</u>	<u>\$ 3,640,008</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts Payable	\$ 278,915	\$ 106,961			\$ 385,876
Due to Other Funds	15,689	323,013			338,702
Payable to State Government	55,014	4,826			59,840
Payroll Deductions and Withholdings	49,583				49,583
Accrued Salaries and Wages	24,832				24,832
Deposits Payable	909,809				909,809
Unearned Revenue	482	28,646	-	-	29,128
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities	<u>1,334,324</u>	<u>463,446</u>	<u>-</u>	<u>-</u>	<u>1,797,770</u>
Fund Balances (Deficits)					
Restricted					
Capital Reserve	963,903				963,903
Maintenance Reserve	50,000				50,000
Excess Surplus	387,424				387,424
Excess Surplus, Designated for Subsequent Year's Expenditures	300,000				300,000
Unemployment Compensation	27,199				27,199
Scholarships		238,590			238,590
Student Activities		120,657			120,657
Committed					
Year-End Encumbrances	23,677				23,677
Assigned					
Year-End Encumbrances	102,821				102,821
Designated for Subsequent Year's Expenditures	104,436				104,436
Unassigned					
General Fund (Deficit)	(304,667)				(304,667)
Special Revenue Fund (Deficit)	-	(171,802)	-	-	(171,802)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Fund Balances (Deficits)	<u>1,654,793</u>	<u>187,445</u>	<u>-</u>	<u>-</u>	<u>1,842,238</u>
Total Liabilities and Fund Balances	<u>\$ 2,989,117</u>	<u>\$ 650,891</u>	<u>-</u>	<u>-</u>	<u>\$ 3,640,008</u>

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



**TOWN OF BOONTON SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2024**

**Total Fund Balances - Governmental Funds (Exhibit B-1)** \$ 1,842,238

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$38,950,995 and the accumulated depreciation is \$17,294,076.

21,656,919

Amounts resulting from the refunding of debt are reported as deferred outflows of resources on the statement of net position and amortized over the life of the debt.

394,156

Certain amounts resulting from the measurement of the net pension liability are reported as either deferred inflows of resources or deferred outflows of resources on the statement of net position and amortized over future years.

Deferred Outflow of Resources	\$	893,473
Deferred Inflow of Resources		<u>(447,347)</u>

446,126

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of the following:

Serial Bonds		(12,815,378)
Capital and Other Financing Agreements		(70,555)
Net Pension Liability		(6,915,045)
Compensated Absences		<u>(376,592)</u>

(20,177,570)

The District has financed capital assets through the issuance of serial bonds and long-term lease obligations. The interest accrual at year end is:

(221,467)

**Net Position of Governmental Activities (Exhibit A-1)** **\$ 3,940,402**

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

**TOWN OF BOONTON SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 21,829,868			\$ 1,098,075	\$ 22,927,943
Tuition	5,226,058				5,226,058
Transportation	1,424				1,424
Interest	56,774				56,774
Miscellaneous	231,769	\$ 153,948	-	-	385,717
Total - Local Sources	27,345,893	153,948	-	1,098,075	28,597,916
State Sources	12,811,497	2,145,782		377,375	15,334,654
Federal Sources	53,908	1,690,499	-	-	1,744,407
Total Revenues	40,211,298	3,990,229	-	1,475,450	45,676,977
<b>EXPENDITURES</b>					
Instruction					
Regular	14,586,325	2,502,506			17,088,831
Special Education	7,978,961	522,306			8,501,267
Other Instruction	1,178,988	10,621			1,189,609
School Sponsored Co-Curricular Activities	1,161,974	160,822			1,322,796
Support Services					
Student and Instruction Related Services	7,892,702	1,093,243			8,985,945
General Administrative Services	871,167				871,167
School Administrative Services	1,450,964				1,450,964
Central and Other Support Services	700,651	14,532			715,183
Plant Operations and Maintenance	2,296,681	105,702			2,402,383
Pupil Transportation	1,324,799				1,324,799
Debt Service					
Principal	111,275			945,000	1,056,275
Interest	4,738			530,450	535,188
Capital Outlay	572,643	-	-	-	572,643
Total Expenditures	40,131,868	4,409,732	-	1,475,450	46,017,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	79,430	(419,503)	-	-	(340,073)
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfer In	55,528	360,048			415,576
Operating Transfer Out	(360,048)	(22,353)	\$ (55,528)	-	(437,929)
Total Other Financing Sources (Uses)	(304,520)	337,695	(55,528)	-	(22,353)
Net Change in Fund Balances	(225,090)	(81,808)	(55,528)	-	(362,426)
Fund Balance Beginning of Year	1,879,883	269,253	55,528	-	2,204,664
Fund Balance End of Year	\$ 1,654,793	\$ 187,445	\$ -	\$ -	\$ 1,842,238

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

**EXHIBIT B-3**

**TOWN OF BOONTON SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
WITH THE DISTRICT-WIDE STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Total net change in fund balances - governmental funds (Exhibit B-2)** **\$ (362,426)**

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.

Capital Outlay	\$ 572,643	
Depreciation Expense	<u>(1,134,219)</u>	
		(561,576)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Compensated Absences	(3,671)	
Accrued Interest	21,656	
Pension Expense	<u>357,896</u>	
		375,881

The issuance of long term debt provides current financial resources to governmental funds, while the repayment of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Additionally, governmental funds report the effect of issuance costs, premiums, discounts and similar items when the debt is issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal Repayments		
Serial Bonds	945,000	
Capital Financing Agreements	<u>111,275</u>	
		1,056,275
Amortization of Refunding Bond Items		
Original Issue Premium	88,871	
Deferred Amount on Refunding	<u>(89,076)</u>	
		<u>(205)</u>

**Change in net position of governmental activities (Exhibit A-2)** **\$ 507,949**

**TOWN OF BOONTON SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2024**

	<u>Enterprise Funds</u>		
	<u>Food Service</u>	<u>Bridges to Learning Program</u>	<u>Total</u>
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 145,199	\$ 272,982	\$ 418,181
Receivables			
Intergovernmental	57,181		57,181
Accounts	29,779		29,779
Due from Other Funds	15,689		15,689
Inventories	3,406	-	3,406
Total Current Assets	251,254	272,982	524,236
Capital Assets			
Furniture, Machinery and Equipment	400,507		400,507
Less Accumulated Depreciation	(250,630)	-	(250,630)
Total Capital Assets, Net	149,877	-	149,877
Total Assets	401,131	272,982	674,113
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	19,714	416	20,130
Unearned Revenue	8,980	-	8,980
Total Current Liabilities	28,694	416	29,110
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Commodities Revenue	1,928	-	1,928
Total Deferred Inflows of Resources	1,928	-	1,928
Total Liabilities and Deferred Inflows of Resources	30,622	416	31,038
<b>NET POSITION</b>			
Investment in Capital Assets	149,877		149,877
Unrestricted	220,632	272,566	493,198
Total Net Position	\$ 370,509	\$ 272,566	\$ 643,075

TOWN OF BOONTON SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN NET POSITION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Enterprise Funds		
	Food Service	Bridges to Learning Program	Total
<b>OPERATING REVENUES</b>			
Local Sources			
Daily Sales			
Reimbursable Programs	\$ 198,257		\$ 198,257
Non-Reimbursable Programs	121,699		121,699
Program Fees	-	\$ 744,940	744,940
Total Operating Revenues	319,956	744,940	1,064,896
<b>OPERATING EXPENSES</b>			
Salaries and Wages	245,167	619,357	864,524
Employee Benefits	21,310	28,773	50,083
Other Purchased Services	2,880	30,484	33,364
Repairs and Maintenance	57,594		57,594
Management Fee	36,489		36,489
Rent		125,000	125,000
Other Expenses	6,798		6,798
Supplies and Materials	21,004	17,290	38,294
Insurance	28,789		28,789
Cost of Sales			
Reimbursable Programs	215,447		215,447
USDA Commodities	41,039		41,039
Non-Reimbursable Programs	51,256		51,256
Depreciation	18,448	-	18,448
Total Operating Expenses	746,221	820,904	1,567,125
Operating Income (Loss)	(426,265)	(75,964)	(502,229)
<b>Nonoperating Revenues</b>			
State Sources			
School Lunch Program	14,774		14,774
Federal Sources			
School Breakfast Program	17,526		17,526
U.S.D.A. Commodities	41,039		41,039
School Lunch Program	262,483		262,483
Supply Chain Assistance	37,688		37,688
Interest Income	1,624	-	1,624
Total Nonoperating Revenues	375,134	-	375,134
Income (Loss) Before Transfers	(51,131)	(75,964)	(127,095)
Transfer In	22,353	-	22,353
Change in Net Position	(28,778)	(75,964)	(104,742)
Net Position, Beginning of Year	399,287	348,530	747,817
Net Position, End of Year	\$ 370,509	\$ 272,566	\$ 643,075

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

**TOWN OF BOONTON SCHOOL DISTRICT  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<b>Enterprise Funds</b>		
	<b>Food Service</b>	<b>Bridges to Learning Program</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 315,259	\$ 744,940	\$ 1,060,199
Cash Payments for Employees Salaries & Benefits	(266,477)	(648,130)	(914,607)
Cash Payments to Suppliers for Goods and Services	(407,246)	(172,358)	(579,604)
Net Cash Provided by (Used for) Operating Activities	(358,464)	(75,548)	(434,012)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Received from (Payments to) Other Funds	22,353	347,500	369,853
Cash Received from Other Governments	296,531	-	296,531
Net Cash Provided by Noncapital Financing Activities	318,884	347,500	666,384
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	(41,934)	-	(41,934)
Net Cash (Used for) Capital and Related Financing Activities	(41,934)	-	(41,934)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Earnings	1,624	-	1,624
Net Cash Provided by Investing Activities	1,624	-	1,624
Net Increase (Decrease) in Cash and Cash Equivalents	(79,890)	271,952	192,062
Cash and Cash Equivalents, Beginning of Year	225,089	1,030	226,119
Cash and Cash Equivalents, End of Year	\$ 145,199	\$ 272,982	\$ 418,181
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (426,265)	\$ (75,964)	\$ (502,229)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Depreciation	18,448		18,448
Non-Cash Federal Assistance - Food Distribution Program	41,039		41,039
Change in Assets, Deferred Inflows of Resources and Liabilities			
(Increase)/Decrease in Accounts Receivable	(4,743)		(4,743)
(Increase)/Decrease in Inventory	613		613
Increase/(Decrease) in Accounts Payable	11,930	416	12,346
Increase/(Decrease) in Deferred Inflows of Resources	468		468
Increase/(Decrease) in Unearned Revenue	46	-	46
Total Adjustments	67,801	416	68,217
Net Cash Provided by (Used for) Operating Activities	\$ (358,464)	\$ (75,548)	\$ (434,012)
Non-Cash Investing, Capital and Financing Activities:			
Value Received - Food Distribution Program	\$ 41,506		\$ 41,506

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

## NOTES TO THE FINANCIAL STATEMENTS

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**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Town of Boonton School District (the “Board” or the “District”) is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine elected officials along with one representative from Lincoln Park and is responsible for the fiscal control of the District. A Superintendent of Schools is appointed by the Board and is responsible for the administrative control of the District. A School Business Administrator/Board Secretary is also appointed by the Board and oversees the business functions of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The Board currently operates a Pre-Kindergarten through grade twelve (12) school district.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls. The Superintendent of Schools is the Chief Administrative Officer of the District and is responsible for general supervision of all schools, planning and operational functions of the District. The School Business Administrator/Board Secretary is the Chief Financial Officer and is responsible for budgeting, financial accounting and reporting and reports through the Superintendent of Schools to the Board.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Town of Boonton School District this includes general operations, food service, after school child care and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

**B. New Accounting Standards**

During fiscal year 2024, the District adopted the following GASB statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*, will be effective beginning with the fiscal year ending June 30, 2024. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 101, *Compensated Absences*, will be effective beginning with the fiscal year ending June 30, 2025. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. New Accounting Standards (Continued)**

- GASB Statement No. 102, *Certain Risk Disclosures*, will be effective beginning with the fiscal year ending June 30, 2025. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a school district vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a school district's financial condition.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, will be effective beginning with the fiscal year ending June 30, 2026. The requirements for MD&A will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflows and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from school district to school district, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budgetary comparison information be presented as RSI will improve comparability, and the inclusion of the specified variances and the explanations of significant variances will provide more useful information for making decisions and assessing accountability.

**C. Basis of Presentation - Financial Statements**

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements. Currently the District has no Fiduciary Funds.

**District-Wide Financial Statements**

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Basis of Presentation - Financial Statements (Continued)**

**Fund Financial Statements**

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs, student activity funds derived from athletic events or other activities of pupil organizations and private donations for scholarship awards.

The *capital projects fund* accounts for the proceeds from the sale of bonds, financing agreements, grants and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

The District reports the following major proprietary funds which are organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for administrators, teachers and special events.

The *bridges to learning program fund* accounts for the activities of the District's bridges to learning program which provides after school and extended day services.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

**Reclassifications**

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e. when they are both measurable and available). Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Board considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when a liability is incurred, as under accrual basis of accounting, with the exception of debt service expenditures as well as expenditures related to compensated absences and claims and judgments which are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt, acquisitions under financing agreements, leases payable for intangible right-to-use leased assets and subscription arrangements for intangible right-to-use information technology (IT) software assets are reported as other financing sources.

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

***1. Cash, Cash Equivalents and Investments***

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

***2. Receivables***

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

***3. Inventories***

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities inventory at year-end is reported as deferred inflows of resources.

***4. Restricted Assets***

Certain assets are classified as restricted on the balance sheet because they are maintained in separate bank accounts and their use is limited by Capital Financing Agreements for capital projects and other expenditures.

***5. Capital Assets***

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost, except for intangible right-to-use leased assets, and intangible right-to-use subscription assets, the measurement of which is described in Note 1. E.10 and E.11, respectively. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	40
Building Improvements	20
Machinery and Equipment	5-10

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

***6. Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Board has two items which arise only under the accrual basis of accounting that qualify for reporting in this category. One item is the deferred amount on refunding of debt which results from a debt refunding reported in the district-wide statement of net position. Deferred amounts on debt refunding result from the difference on the transaction when the debt's reacquisition price is greater than the carrying value of the refunded debt. These amounts are deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item that qualifies for reporting in this category is the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. These amounts are deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Board has two types of items, which arise only under the accrual basis of accounting that qualify for reporting in this category. One item that qualifies for reporting in this category are the deferred amounts on net pension liability. Deferred amounts on net pension liability are reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. These amounts are deferred and amortized over future years. The other item that qualifies for reporting in this category is the deferred commodities revenue, reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities inventory at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed.

***7. Compensated Absences***

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

***8. Pensions***

In the district-wide financial statements and proprietary fund types in the fund financial statements, for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

***9. Financing Agreements***

Capital financing agreements and other financing agreements are financed purchase contracts that transfer ownership of the underlining assets or items (i.e. expendable supplies) to the District by the end of the agreement and do not contain termination options. Capital financing agreements and other financing agreements are recognized as long-term liabilities along with the related capital asset or expenses being financed, respectively, in the district-wide and proprietary fund type financial statements.

In the fund financial statements, capital financing agreements and other financing agreements are recognized as other financing sources at the face amount of the financed purchase contract. Assets and supplies financed under these agreements are reported as capital outlay or current expenditures, respectively.

***10. Long-Term Obligations***

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Differences resulting from debt refundings are classified as deferred inflows of resources or as deferred outflows of resources. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Differences resulting from debt refundings are also deferred and amortized over the life of the refunded bonds or new bonds whichever is less using the effective interest method. Bonds payable are reported with the unamortized bond premium or discount. Bond issuance costs (other than for prepaid insurance) are treated as an expense.

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

***11. Net Position/Fund Balance***

**District-Wide Statements**

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

**Governmental Fund Statements**

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**11. Net Position/Fund Balance (Continued)**

**Governmental Fund Statements (Continued)**

**Restricted Fund Balance** – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

*Capital Reserve* – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2C).

*Maintenance Reserve* – This restriction was created by the Board in accordance with NJAC 6A:23A-14.2 to accumulate funds for the required maintenance of school facilities in accordance with the EFCA (NJSA 18A:7G-9) for a thorough and efficient education. (See Note 2D).

*Excess Surplus* – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2024 audited excess surplus that is required to be appropriated in the 2025/2026 original budget certified for taxes.

*Excess Surplus – Designated for Subsequent Year's Expenditures* - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2023 audited excess surplus that was appropriated in the 2024/2025 original budget certified for taxes.

*Unemployment Compensation* – This restriction was created in accordance with R.S. 43:21-7.3 to reserve funds for unemployment compensation claims reimbursable to the State under the District's election for payment in lieu of contributions (benefit reimbursement method). (See Note 4A).

*Scholarships* – This restriction was created to represent is the accumulation of donor restricted funds specifically earmarked for student scholarship awards.

*Student Activities* – This restriction was created in accordance with NJAC 6A:23A-16.12 to represent the accumulation of funds derived from athletic events and other student organizations reserved for the payment of student group activities.

**Committed Fund Balance** – Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.

*Year-End Encumbrances* – Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

**Assigned Fund Balance** – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

*Year-End Encumbrances* – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

*Designated for Subsequent Year's Expenditures* – This designation was created to dedicate the portion of fund balance appropriated in the 2024/2025 original budget certified for taxes.

**Unassigned Fund Balance** – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

In the general operating fund and other governmental funds (special revenue, capital projects and debt service fund types), it is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)**

**12. *Fund Balance Policies***

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board of Education itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the school district that can, by adoption of a resolution or formal Board action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Board of Education for specific purposes but do not meet the criteria to be classified as committed. The Board has authorized the School Business Administrator/Board Secretary to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**F. Revenues and Expenditures/Expenses**

**1. *Program Revenues***

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

**2. *Property Taxes***

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1<sup>st</sup> in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

**3. *Tuition Revenues and Expenditures***

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2022/2023 and 2023/2024 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Revenues and Expenditures/Expenses (Continued)**

**4. *On-Behalf Payments***

Revenues and expenditures of the general fund include payments made by the State of New Jersey on-behalf of the District for social security, pension, long-term disability insurance and post-retirement medical benefit contributions for District employees enrolled in the Teacher Pension and Annuity Fund (TPAF) retirement system.

Revenues and expenses of governmental activities include the State's proportionate share of the on-behalf actuarial determined pension and post-retirement medical benefit amounts attributable to the District for District employees enrolled in the TPAF retirement system.

**5. *Proprietary Funds, Operating and Nonoperating Revenues and Expenses***

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service and bridges to learning enterprise funds, are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Lease transactions are accounted for on the GAAP basis.

The District must prepare its budget in compliance with applicable laws limiting the amount by which the general fund property tax levy can increase in the annual school budget. The 2010 Tax Levy CAP Law is calculated using the formulas and provisions of NJSA 18A:7F-38. The law was originally adopted in 2007 and was most recently amended in 2018. The core of the tax-levy cap calculation is a 2% increase to the previous budget year's general fund tax levy with exceptions only for enrollment increases, increases for certain pension contributions in excess of 2%, certain healthcare increases, and amounts approved by a simple majority of voters at a special election. Additionally, school districts can bank the unused tax levy for use in any of the next three (3) succeeding budget years if they were not granted approval to exceed the tax levy cap by the voters.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. The Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. The Board approved several budget transfers during 2023/2024. Also, during 2023/2024 the Board increased the original budget of the general fund by \$83,645 and the special revenue fund by \$561,430. The increase in the general fund was funded by the reappropriation of prior year encumbrances. The increase in the special revenue fund was funded by grant awards.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**A. Budgetary Information (Continued)**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Encumbrance accounting is employed in the governmental funds. 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 committed and/or assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services which are reappropriated and honored during the subsequent fiscal year.

**B. Deficit Fund Equity**

The District has an unassigned fund deficit of \$304,667 in the General Fund and \$171,802 in the Special Revenue Fund as of June 30, 2024 as reported in the fund financial statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, districts must record these delayed state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions", requires that intergovernmental transactions (revenue, expenditure, asset, liability) should be recognized in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State of New Jersey is recording certain 2023/2024 budgeted state aid payments in the subsequent fiscal year, the school district cannot recognize such payments on the GAAP (fund) financial statements until the year the State records the payable. Due to the timing difference of recording these delayed state aid payments, the deficit does not alone indicate that the District is facing financial difficulties; however, unless the State of New Jersey budgets the delayed payments in future years, the District may also report fund deficits in the future.

Pursuant to NJSA 18A:22-44.2, any negative unreserved, undesignated (i.e., unassigned) fund balance that is reported as a direct result of a delay in the payment of state aid until the following fiscal year, is not considered as a violation of New Jersey Statute or regulation and is not considered an item in need of corrective action. The District deficits in the GAAP (fund) financial statements of \$304,667 in the General Fund and \$171,802 in the Special Revenue Fund are less than the delayed state aid payments at June 30, 2024.

**C. Capital Reserve**

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

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

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**C. Capital Reserve (Continued)**

The activity of the capital reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023	\$ 208,696
Increased by:	
Deposits Approved by Board Resolution	\$ 700,000
Return of Unencumbered Withdrawals from Capital Projects Fund	<u>55,207</u>
	<u>755,207</u>
Balance, June 30, 2024	<u>\$ 963,903</u>

The June 30, 2024 LRFP balance of the total costs of uncompleted capital projects is estimated by management to be \$50,909,217.

**D. Maintenance Reserve**

A maintenance reserve account was established by the District. The accumulation of funds will be used for required maintenance of school facilities expenditures in subsequent fiscal years. The maintenance reserve is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the maintenance reserve are restricted to required maintenance activities for a school facility as reported in the comprehensive maintenance plan. A District may appropriate funds into the maintenance reserve in the annual General Fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line item appropriation amounts or both. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the reserve cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The activity of the maintenance reserve for the fiscal year ended June 30, 2024 is as follows:

Balance, July 1, 2023	-
Increased by:	
Deposits Approved by Board Resolution	<u>\$ 50,000</u>
Balance, June 30, 2024	<u>\$ 50,000</u>

The June 30, 2024 comprehensive maintenance plan indicated a maximum maintenance reserve amount of \$1,427,952.

**E. Excess Surplus**

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance in excess of 2% of budget expenditures at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The excess fund balance at June 30, 2024 is \$1,437,424. Of this amount, \$300,000 was designated and appropriated in the 2024/2025 original budget certified for taxes and the remaining amount of \$1,137,424 is required to be appropriated in the 2025/2026 original budget certified for taxes.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash Deposits and Investments**

**Cash Deposits**

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), National Credit Union Share Insurance Fund (NCUSIF), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for deposits in excess of the FDIC and NCUSIF insured amounts. GUDPA does not protect intermingled trust funds, withholdings from an employee's salary or funds which may pass to the local government upon the happening of a future condition.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. NCUSIF insures credit union accounts up to \$250,000 in the aggregate for each financial institution. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2024, the book value of the Board's deposits was \$3,169,903 and bank and brokerage firm balances of the Board's deposits amounted to \$4,191,398. The Board's deposits which are displayed on the various fund balance sheets as "cash and cash equivalents" are categorized as:

**Depository Account**

Insured	\$ 3,204,501
Uninsured and Collateralized	<u>986,897</u>
	<u>\$ 4,191,398</u>

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 Board does not have a policy for custodial credit risk. As of June 30, 2024, the Board's bank balances of \$986,897 were exposed to custodial credit risk as follows:

**Uninsured and Collateralized:**

Collateral held by pledging financial institutions' trust department

but not in the Board's name \$ 986,897

**Investments**

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America; Government Money Market Mutual Funds; any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligations bear a fixed rate of interest not dependent on any index or other external factor; bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located; Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase, issued by New Jersey school districts, municipalities, counties, and entities subject to the "Local Authorities Fiscal Control Law," (C.40A:5A-1 et seq.); Other bonds or obligations having a maturity date not more than 397 days from the date of purchase may be approved by the Division of Investment in the Department of the Treasury for investment by school districts; Local Government investment pools; deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4); and agreements for the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2024, the Board had no outstanding investments.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash Deposits and Investments (Continued)**

**Investments (Continued)**

Custodial Credit Risk – Investments – For an investment, this is the risk, that in the event of the failure of the counterparty, the Board will not be able to recover the value of its investments or collateral securities that are held by an outside party. The Board does not have a policy for custodial credit risk.

Interest Rate Risk – Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. The Board 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.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law limits investments as noted above (N.J.S.A. 18A:20-37).

Concentration of Credit Risk – The concentration of credit risk is the risk of loss that may be caused by the Board's investment in a single issuer. The Board places no limit in the amount the District may invest in any one issuer.

**B. Receivables**

Receivables as of June 30, 2024 for the district's individual major funds including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Food Service</u>	<u>Total</u>
Receivables:				
Accounts			\$ 29,779	\$ 29,779
Intergovernmental				
Federal		\$ 273,768	54,269	328,037
State	\$ 55,496	1,024	2,912	59,432
Local	234,985	-	-	234,985
Gross Receivables	290,481	274,792	86,960	652,233
Less: Allowance for Uncollectibles	-	-	-	-
Net Total Receivables	<u>\$ 290,481</u>	<u>\$ 274,792</u>	<u>\$ 86,960</u>	<u>\$ 652,233</u>

**C. Unearned Revenue**

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

	<u>Total</u>
General Fund	
Prepaid Tuition/Fees	\$ 482
Special Revenue Fund	
Unencumbered Grant Draw Downs	2,254
Grant Draw Downs Reserved for Encumbrances	26,392
Total Unearned Revenue for Governmental Funds	<u>\$ 29,128</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets**

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

	Balance, July 1, 2023	Increases	Adjustments/ Decreases	Balance, June 30, 2024
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 471,800			\$ 471,800
Construction in Progress	344,468	-	\$ (344,468)	-
Total Capital Assets, Not Being Depreciated	816,268	-	(344,468)	471,800
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	33,836,991	\$ 548,245	344,468	34,729,704
Machinery and Equipment	3,725,093	24,398	-	3,749,491
Total Capital Assets Being Depreciated	37,562,084	572,643	344,468	38,479,195
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(13,000,318)	(946,255)		(13,946,573)
Machinery and Equipment	(3,159,539)	(187,964)	-	(3,347,503)
Total Accumulated Depreciation	(16,159,857)	(1,134,219)	-	(17,294,076)
Total Capital Assets, Being Depreciated, Net	21,402,227	(561,576)	344,468	21,185,119
Governmental Activities Capital Assets, Net	\$ 22,218,495	\$ (561,576)	\$ -	\$ 21,656,919
	Balance, July 1, 2023	Increases	Decreases	Balance, June 30, 2024
<b>Business-Type Activities:</b>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 358,573	\$ 41,934	\$ -	\$ 400,507
Total Capital Assets Being Depreciated	358,573	41,934	-	400,507
Less Accumulated Depreciation for:				
Machinery and Equipment	(232,182)	(18,448)	-	(250,630)
Total Accumulated Depreciation	(232,182)	(18,448)	-	(250,630)
Total Capital Assets, Being Depreciated, Net	126,391	23,486	-	149,877
Business-Type Activities Capital Assets, Net	\$ 126,391	\$ 23,486	\$ -	\$ 149,877



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Capital Assets (Continued)**

Depreciation expense was charged to functions/programs of the District as follows:

**Governmental Activities:**

Instruction

Regular	\$ 101,427
School Sponsored Co-Curricular Activities and Athletics	1,944
Total Instruction	<u>103,371</u>

Support Services

Support Services-Students	5,880
School Administration	12,866
Operations and Maintenance	979,001
Transporation	<u>33,101</u>
Total Support Services	<u>1,030,848</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 1,134,219</u>
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**Business-Type Activities:**

Food Service Fund	<u>\$ 18,448</u>
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**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2024, is as follows:

**Due To/From Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 323,013
Food Service Enterprise Fund	General Fund	<u>15,689</u>
		<u>\$ 338,702</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund, and expenditures paid by one fund on behalf of another fund and to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**E. Interfund Receivables, Payables, and Transfers (Continued)**

**Interfund transfers**

	General Fund	Transfer In: Special Revenue Fund	Food Service Fund	Total
<u>Transfer Out:</u>				
General Fund		\$ 360,048		\$ 360,048
Special Revenue Fund			\$ 22,353	22,353
Capital Projects Fund	\$ 55,528			55,528
Total Transfers	\$ 55,528	\$ 360,048	\$ 22,353	\$ 437,929

The above transfers was the result of revenues earned in one fund to finance expenditures in another fund.

**F. Financing Agreements**

**Capital Financing Agreements**

The District entered into the following agreement to finance the acquisition of capital assets and to finance the purchase of certain equipment that does not meet the threshold of a capital asset and therefore are classified as expendable supplies under capital and other financing agreements. The repayments of this financing agreement is subject to the annual appropriation of funds in the District's approved budget.

Capital and other financing agreements at June 30, 2024 are comprised of the following:

\$340,000 fiscal year 2020 agreement for buses and  
technology equipment for a term of 5 years due in  
semi-annual installments of \$35,475  
through February 15, 2025, interest at 2.255% \$ 70,555

The maturity schedule of the remaining capital financing agreement payments for principal and interest is as follows:

**Governmental Activities:**

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ <u>70,555</u>	\$ <u>1,196</u>	\$ <u>71,751</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**G. Long-Term Debt**

**General Obligation Bonds**

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets and other purposes permitted by statute. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2024 are comprised of the following issues:

\$9,305,000, 2014 Refunding Bonds, due in annual installments of \$945,000 to \$1,080,000 through January 15, 2027, interest at 4.00% to 5.00%	\$ 3,115,000
\$9,475,000, 2015 Refunding Bonds, due in annual installments of \$1,210,000 to \$1,480,000 through January 15, 2034, interest at 3.00% to 4.00%	<u>9,330,000</u>
	<u>\$12,445,000</u>

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

**Governmental Activities:**

Fiscal Year Ending June 30,	<u>Serial Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 995,000	\$ 483,200	\$ 1,478,200
2026	1,040,000	433,450	1,473,450
2027	1,080,000	391,850	1,471,850
2028	1,210,000	348,650	1,558,650
2029	1,245,000	312,350	1,557,350
2030-2034	<u>6,875,000</u>	<u>845,200</u>	<u>7,720,200</u>
	<u>\$ 12,445,000</u>	<u>\$ 2,814,700</u>	<u>\$ 15,259,700</u>

**Statutory Borrowing Power**

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2024 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 56,516,758
Less: Net Debt Issued and Authorized but not Issued	<u>(12,445,000)</u>
Remaining Borrowing Power	<u>\$ 44,071,758</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Other Long-Term Liabilities**

**Changes in Long-Term Liabilities**

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

	Balance, July 1, 2023	Additions	Reductions	Balance, June 30, 2024	Due Within One Year
<b>Governmental Activities:</b>					
Bonds Payable	\$ 13,390,000		\$ (945,000)	\$ 12,445,000	\$ 995,000
Add: Premium	459,249	-	(88,871)	370,378	-
Total Bonds Payable	13,849,249	-	(1,033,871)	12,815,378	995,000
Capital and Other Financing Agreements	181,830		(111,275)	70,555	70,555
Net Pension Liability	7,189,241	\$ 363,881	(638,077)	6,915,045	
Compensated Absences	372,921	10,969	(7,298)	376,592	-
Governmental Activity Long-Term Liabilities	<u>\$ 21,593,241</u>	<u>\$ 374,850</u>	<u>\$ (1,790,521)</u>	<u>\$ 20,177,570</u>	<u>\$ 1,065,555</u>

For the governmental activities, the liabilities for compensated absences, capital and other financing agreements and net pension liability are generally liquidated by the general fund.

**NOTE 4 OTHER INFORMATION**

**A. Risk Management**

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Annual Comprehensive Financial Report.

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG or Group). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims.

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NJSBAIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund are on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**A. Risk Management (Continued)**

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District’s restricted fund balance for unemployment compensation claims in the General Fund for the current and previous two years:

<u>Fiscal Year Ended June 30,</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest Earned</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2024	None	\$ 36,790	\$ 1,392	\$ 8,912	\$ 27,199
2023	None	38,238	182	66,093	34,719
2022	None	60,703	165		26,892

**B. Contingent Liabilities**

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

**Federal and State Awards** – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2024, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

**C. Federal Arbitrage Regulations**

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2024, the District has not estimated its arbitrage earnings due to the IRS, if any.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans**

**Plan Descriptions and Benefits Provided**

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all Board employees who are eligible for pension coverage:

**Public Employees' Retirement System (PERS)** – Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees. PERS is a cost sharing multiple employer defined benefit pension plan. For additional information about PERS, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

The following represents the membership tiers for PERS:

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

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

**Teachers' Pension and Annuity Fund (TPAF)** – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees. TPAF is a cost sharing multiple employer defined benefit pension plan with a special funding situation, by which the State is responsible to fund 100% of local employer contributions, excluding any local employer early retirement incentive (ERI) contributions. For additional information about TPAF, please refer to the State Division of Pension and Benefits (Division's) Annual Comprehensive Financial Report (ACFR) which can be found at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

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

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Teachers' Pension and Annuity Fund (TPAF) (Continued)**

The following represent the membership tiers for TPAF:

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

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

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

**Defined Contribution Retirement Program (DCRP)** – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007 and employees enrolled in PERS or TPAF on or after July 1, 2007 who earn in excess of established annual maximum compensation limits (equivalent to annual maximum wage for social security deductions). This provision was extended by Chapter 1, P.L. 2010, effective May 21, 2010, to new employees (Tier 2) of the PERS and new employees who would otherwise be eligible to participate in PERS or TPAF on or after November 2, 2008 and do not earn the minimum salary required for tier 3 enrollment or do not work the minimum required hours for tier 4 and tier 5 enrollments but earn a base salary of at least \$5,000 are eligible for participation in the DCRP. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

**Other Pension Funds**

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits ("Division"), issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Plan Amendments**

The authority to amend the provisions of the above plans rests with new legislation passed by the State of New Jersey. Pension reforms enacted pursuant to Chapter 78, P.L. 2011 included provisions creating special Pension Plan Design Committees for TPAF and PERS, once a Target Funded Ratio (TFR) is met. The Pension Plan Design Committees will have the discretionary authority to modify certain plan design features, including member contribution rate; formula for calculation of final compensation of final salary; fraction used to calculate a retirement allowance; age at which a member may be eligible and the benefits for service or early retirement; and benefits provided for disability retirement. The committees will also have the authority to reactivate the cost of living adjustment (COLA) on pensions. However, modifications can only be made to the extent that the resulting impact does not cause the funded ratio to drop below the TFR in any one year of a 30-year projection period.

**Measurement Focus and Basis of Accounting**

The financial statements of the retirement systems are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the pension trust funds. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Investment Valuation**

The Division of Investment, Department of the Treasury, State of New Jersey (Division of Investment) manages and invests certain assets of the retirement systems. Empower Retirement (formerly Prudential) is the third-party administrator for the DCRP and provides record keeping, administrative services and investment options. Investment transactions are accounted for on a trade or investment date basis. Interest and dividend income is recorded on the accrual basis, with dividends accruing on the ex-dividend date. The net increase or decrease in the fair value of investments includes the net realized and unrealized gains or losses on investments.

The State of New Jersey, Department of the Treasury, Division of Investment issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at [www.state.nj.us/treasury/doinvest](http://www.state.nj.us/treasury/doinvest).



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Collective Net Pension Liability**

The collective net pension liability of the participating employers for local PERS at June 30, 2023 is \$14.6 billion and the plan fiduciary net position as a percentage of the total pension liability is 65.23%. The collective net pension liability of the State funded TPAF at June 30, 2023 is \$51.1 billion and the plan fiduciary net position as a percentage of total pension liability is 34.68%.

The total pension liabilities for the June 30, 2023 measurement date were determined based on actuarial valuations as of July 1, 2022 which were rolled forward to June 30, 2023.

**Actuarial Methods and Assumptions**

In the July 1, 2022 PERS and TPAF actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The pension systems selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 68. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience

**Employer and Employee Pension Contributions**

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 7.50% for PERS, 7.50% for TPAF and 5.50% for DCRP of the employee's annual compensation for fiscal year 2024.

PERS employers' and TPAF State's nonemployer contributions are based on actuarially determined amounts, which include the normal cost and unfunded accrued liability. For the fiscal year ended June 30, 2022 for TPAF, which is a cost sharing multiple employer defined benefit pension plan with a special funding situation, the State's annual pension contribution was more than the actuarial determined amount. For local PERS, which is a cost sharing multiple employer defined benefit pension plan, contributions were equal to the actuarial determined amounts. TPAF nonemployer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution. All PERS and DCRP contributions made by the Board for fiscal years 2024, 2023 and 2022 were equal to the required contributions.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

During the fiscal years ended June 30, 2024, 2023 and 2022 the Board was required to contribute for PERS and DCRP and the State of New Jersey, as a nonemployer contributing entity, contributed for TPAF, respectively, for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

<u>Fiscal Year Ended June 30,</u>	<u>PERS</u>	<u>On-behalf TPAF</u>	<u>DCRP</u>
2024	\$ 638,079	\$ 5,522,870	\$ 7,641
2023	600,739	5,015,320	12,267
2022	518,643	4,951,646	9,801

In addition for fiscal years 2024, 2023 and 2022 the State contributed \$2,224, \$1,948 and \$1,857, respectively for TPAF for Long Term Disability Insurance Premium (LTDI).

The PERS contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB Statement No. 85, *Omnibus 2017* (GASB No. 85). The DCRP contributions are recognized in the governmental fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,133,386 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. This amount has been recognized in the district-wide financial statements (accrual basis) and the governmental fund financial statements (modified accrual basis) as both a revenue and expense/expenditure in accordance with GASB No. 85.

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

**Public Employees Retirement System (PERS)**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, (GASB No. 68) requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The employer allocation percentages presented are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the measurement period July 1, 2022 through June 30, 2023. Employer allocation percentages have been rounded for presentation purposes. Contributions from employers are recognized when due based on statutory requirements.

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

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages are presented for each group. The allocation percentages for each group as of June 30, 2023 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal year ended June 30, 2023.

At June 30, 2024, the District reported in the statement of net position (accrual basis) a liability of \$6,915,045 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the ratio of the District's share of contributions to the pension plan relative to the total contributions of all participating governmental entities, for the year ended June 30, 2023. At June 30, 2023, the District's proportionate share was .04774 percent, which was an increase of .00011 percent from its proportionate share measured as of June 30, 2022 of .04763 percent.

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$270,235 for PERS. The pension contribution made by the District during the current 2023/2024 fiscal year is the contribution that is applied to the net pension liability reported at the end of the current fiscal year of June 30, 2024 with a measurement date of the prior fiscal year end of June 30, 2023. Since the State of New Jersey applies the current year pension contribution towards the calculation of the net pension liability reported at the end of the current fiscal year, which has a measurement date of the preceding fiscal year end, there is no deferred outflows of resources reported as of June 30, 2024 for contributions made subsequent to the measurement date. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$ 66,117	\$ 28,266
Changes of Assumptions	15,191	419,081
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	31,845	
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>780,320</u>	<u>-</u>
Total	<u>\$ 893,473</u>	<u>\$ 447,347</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

At June 30, 2024, the amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense (benefit) as follows:

<u>Year Ending June 30,</u>	<u>Total</u>
2024	\$ (13,437)
2025	77,249
2026	414,133
2027	(33,787)
2028	<u>1,968</u>
	<u>\$ 446,126</u>

***Actuarial Assumptions***

The District’s 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 actuarial 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%

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

***Mortality Rates***

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on 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% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

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

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

**Public Employees Retirement System (PERS) (Continued)**

***Discount Rate***

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

***Sensitivity of Net Pension Liability***

The following presents the District’s proportionate share of the PERS net pension liability calculated using the discount rate of 7.00, as well as what the District’s proportionate share of the PERS net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<b>1% Decrease <u>(6.00%)</u></b>	<b>Current Discount Rate <u>(7.00%)</u></b>	<b>1% Increase <u>(8.00%)</u></b>
District's Proportionate Share of the PERS Net Pension Liability	\$ <u>9,001,917</u>	\$ <u>6,915,045</u>	\$ <u>5,138,841</u>

The sensitivity analysis was based on the proportionate share of the District’s net pension liability as of the measurement date of June 30, 2023. A sensitivity analysis specific to the District’s net pension liability at June 30, 2023 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

Detailed information about the PERS pension plan’s fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

**Teachers Pension and Annuity Fund (TPAF)**

GASB No. 68, requires participating employers in TPAF to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense based on a measurement date no earlier than the end of the employer's prior fiscal year. The non-employer allocation percentages presented are based on the ratio of the State's actual contributions made as an employer and non-employer adjusted for unpaid early retirement incentives to total contributions to TPAF during the measurement period July 1, 2022 through June 30, 2023. Non-employer allocation percentages have been rounded for presentation purposes.

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and non-employer contributions by the State. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. For the fiscal year ended June 30, 2023, the State's pension contribution was more than the actuarial determined amount.

In accordance with GASB No. 68, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% of the net pension liability attributable to the District for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$1,517,048 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024 the State's proportionate share of the net pension liability attributable to the District is \$61,751,243. The net pension liability was measured as of June 30, 2023 and was determined by an actuarial valuation as of July 1, 2022. The nonemployer allocation percentages are based on the ratio of the State's contributions made as a nonemployer attributable to the District adjusted for unpaid early retirement incentives relative to total contributions to TPAF during the year ended June 30, 2023. At June 30, 2023, the state's share of the net pension liability attributable to the District was .12100 percent, which was an increase of .0024 percent from its proportionate share measured as of June 30, 2022 of .11860 percent.

TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

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 actuarial assumptions, applied to all periods 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%

*Mortality Rates*

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

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



**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments (7% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and actuaries. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the TPAF's target asset allocation as of June 30, 2023 are summarized in the following table:

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

***Discount Rate***

The discount rate used to measure the total pension liability for TPAF 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.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**D. Employee Retirement Systems and Pension Plans (Continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions (Continued)**

**Teachers Pension and Annuity Fund (TPAF) (Continued)**

***Sensitivity of Net Pension Liability***

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 7.00%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00% percent) or 1-percentage-point higher (8.00% percent) than the current rate:

	<b>1% Decrease (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase (8.00%)</b>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 72,815,921</u>	<u>\$ 61,751,243</u>	<u>\$ 52,432,154</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District as of the measurement date of June 30, 2023. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2023 was not provided by the pension system.

***Pension Plan Fiduciary Net Position***

Detailed information about the TPAF pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial report may be accessed via the New Jersey, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**E. Post-Retirement Medical Benefits**

The State of New Jersey sponsors and administers the post-retirement health benefit program plan for school districts.

As a result of implementing GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, the post-retirement health benefit program plan is reported in a Custodial Fund in the New Jersey Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In addition, the plan is administered on a pay-as-you-go basis. Therefore, the plan has no assets accumulated in a qualified trust. In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension* (GASB No. 75), the plan is classified as a multiple-employer defined benefit OPEB plan with a special funding situation that is not administered through a trust that meets the criteria in paragraph 4 of GASB No. 75.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Plan Description and Benefits Provided**

The State of New Jersey sponsors and administers the following post-retirement health benefit program plan covering certain local school district employees, including those Board employees and retirees eligible for coverage.

**State Health Benefit Program Fund – Local Education Retired Employees Plan** (including Prescription Drug Program Fund) – N.J.S.A. 52:14-17.32f provides medical coverage, prescription drug benefits and Medicare Part B reimbursement to qualified retired education employees and their covered dependents. The State of New Jersey provides employer-paid coverage to members of the TPAF who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of Chapter 126, P.L. 1992, the State also provides employer-paid coverage to members of the PERS, the Police and Firemen Retirement System (PFRS) or Alternate Benefits Program (ABP) who retire from a board of education or county college with 25 years of service or on a disability retirement. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

**Plan Membership**

Membership of the defined benefit OPEB plan consisted of the following at June 30, 2022:

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	<u>152,383</u>
Total	<u>369,595</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**Measurement Focus and Basis of Accounting**

The financial statements of the post-employment health benefit plan are prepared in accordance with U.S. generally accepted accounting principles as applicable to governmental organizations. In doing so, the Division adheres to reporting requirements established by the Governmental Accounting Standards Board (GASB).

The accrual basis of accounting is used for measuring financial position and changes in net position of the post-employment health benefit plan. Under this method, contributions are recorded in the accounting period in which they are legally due from the employer or plan member, and deductions are recorded at the time the liabilities are due and payable in accordance with the terms of each plan. The accounts of the Division are organized and operated on the basis of funds. All funds are accounted for using an economic resources measurement focus.

**Collective Net OPEB Liability**

The collective net OPEB liability of the State, as the non-employer contributing entity, of the plan at June 30, 2023 is \$52.4 billion, and the plan fiduciary net position as a percentage of the total OPEB liability is zero percent.

The total OPEB liabilities at June 30, 2023 were determined based on actuarial valuations as of June 30, 2022 which were rolled forward to June 30, 2023.

**Actuarial Methods and Assumptions**

In the June 30, 2022 OPEB actuarial valuation, the actuarial assumptions and methods used in these valuations were described in the Actuarial Assumptions and Methods section of the Actuary's report and are included here in this note to the financial statements. The Plan selected economic and demographic assumptions and prescribed them for use for purposes of compliance with GASB Statement No. 75. The Actuary provided guidance with respect to these assumptions, and it is their belief that the assumptions represent reasonable expectations of anticipated plan experience.

**Post-Retirement Medical Benefits Contributions**

The funding policy of the OPEB plan is pay as you go basis; therefore, there is no prefunding of the liability. Contributions to pay for the health benefit premiums of participating employees in the OPEB plan are made by the State, as a non-employer contributing entity, under a special funding situation in accordance with State statutes as previously disclosed. The State as a non-employer contributing entity made contributions of \$1.44 billion to the OPEB plan in fiscal year 2023.

The State sets the contribution rate based on a pay as you go basis rather than the actuarial determined contribution, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The actuarial determined contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and any unfunded actuarial liabilities (or funding excess) of the plan using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the Plan. The State's contributions, as a nonemployer contributing entity, to the State Health Benefits Program Fund – Local Education Retired Employees Plan for retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2024, 2023 and 2022 were \$1,503,123, \$1,317,513 and \$1,156,905, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund – Local Education Retired Employees Plan for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey. The on-behalf OPEB contributions are recognized in the governmental fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 85.

TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB

GASB Statement No. 75 requires participating employers in the State Health Benefit Program Fund – Local Education Retired Employees Plan to recognize their proportionate share of the collective OPEB liability, collective deferred outflows of resources, collective deferred inflows of resources and collective OPEB expense based on a measurement date no earlier than the end of the employer’s prior fiscal year. The nonemployer allocation percentages presented are based on the ratio of the State’s contributions made as a nonemployer toward the actuarially determined contribution amount to total contributions to the plan during the measurement period July 1, 2022 through June 30, 2023. Nonemployer allocation percentages have been rounded for presentation purposes.

In accordance with GASB No. 75, the District is not required to recognize an OPEB liability for the post-employment health benefit plan. The State of New Jersey, as a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to the plan on behalf of the District. Accordingly, the District’s proportionate share percentage determined under Statement No. 75 is zero percent and the State’s proportionate share is 100% of the OPEB liability attributable to the District. Therefore, in addition, the District does not recognize any portion of the collective deferred outflows of resources and deferred inflows of resources related to the plan.

For the fiscal year ended June 30, 2024, the District recognized in the district-wide statement of activities (accrual basis) OPEB expense of \$2,512,497. This amount has been included in the district-wide statement of activities (accrual basis) as both a revenue and expense in accordance with GASB No. 85.

At June 30, 2024, the State’s proportionate share of the OPEB liability attributable to the District is \$55,981,251. The nonemployer allocation percentages are based on the ratio of the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023 to the total OPEB liability of the State Health Benefit Program Fund – Local Education Retired Employees Plan at June 30, 2023. At June 30, 2023, the state’s share of the OPEB liability attributable to the District was .10691 percent, which was a decrease of .00343 percent from its proportionate share measured as of June 30, 2022 of .10348 percent.

Actuarial Assumptions

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

	<u>PERS</u>	<u>TPAF</u>
Salary Increases	2.75% to 6.55%	2.75% to 4.25%
	Based on Years	Based on Years
	of Service	of Service

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

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB (Continued)**

**Health Care Trend Assumptions**

For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% 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 4.50% 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 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

**Discount Rate**

The discount rate for June 30, 2023 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.

**Changes in the Total OPEB Liability**

The change in the State's proportionate share of the OPEB liability attributable to the District for the fiscal year ended June 30, 2024 (measurement date June 30, 2023) is as follows:

	Total OPEB Liability (State Share 100%)
Balance, June 30, 2022 Measurement Date	\$ 52,406,792
Changes Recognized for the Fiscal Year:	
Service Cost	2,496,159
Interest on the Total OPEB Liability	1,971,591
Differences Between Expected and Actual Experience	480,236
Changes of Assumptions	112,835
Gross Benefit Payments	(1,536,887)
Contributions from the Member	50,525
Net Changes	\$ 3,574,459
Balance, June 30, 2023 Measurement Date	\$ 55,981,251

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% in 2022 to 3.65% in 2023.

The change in the total OPEB liability was based on the State's proportionate share of the OPEB liability attributable to the District at June 30, 2023.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 4 OTHER INFORMATION (Continued)**

**E. Post-Retirement Medical Benefits (Continued)**

**OPEB Liabilities, OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to OPEB (Continued)**

**Sensitivity of OPEB Liability**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using the discount rate of 3.65%, as well as what the State’s proportionate share of the OPEB liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	<b>1% Decrease <u>(2.65%)</u></b>	<b>Current Discount Rate <u>(3.65%)</u></b>	<b>1% Increase <u>(4.65%)</u></b>
State's Proportionate Share of the OPEB Liability			
Attributable to the District	<u>\$ 65,628,406</u>	<u>\$ 55,981,251</u>	<u>\$ 48,235,705</u>

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the State’s proportionate share of the OPEB liability attributable to the District calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<b>1% Decrease</b>	<b>Healthcare Cost Trend Rates</b>	<b>1% Increase</b>
State's Proportionate Share of the OPEB Liability			
Attributable to the District	<u>\$ 46,473,069</u>	<u>\$ 55,981,251</u>	<u>\$ 68,422,732</u>

The sensitivity analyses were based on the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023. Sensitivity analyses specific to the State’s proportionate share of the OPEB liability attributable to the District at June 30, 2023 were not provided by the pension system.

**F. Tax Abatements**

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

For Town of Boonton School District, the District’s share of abated taxes resulting from the municipality/county having entered into a tax abatement agreement, if any, has not been determined.

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 5 RECENT HEALTHCARE DEVELOPMENTS**

In early March of 2020, the World Health Organization declared a pandemic following the global outbreak of COVID-19, a respiratory disease caused by a newly discovered strain of coronavirus. On March 13, 2020, the President of the United States declared a national public health emergency to unlock federal funds and assistance to help states and local governments fight the pandemic. The Governor of the State declared a state of emergency and a public health emergency on March 9, 2020. In response to the COVID-19 pandemic, federal and State legislation and executive orders were implemented to mitigate the spread of the disease and provide relief to State and local governments. The pandemic and certain mitigation measures altered the behavior of businesses and people with negative impacts on regional, State and local economies. The national public health emergency and the State public health emergency have since ended, while the state of emergency declared by the State and several executive orders signed by the Governor remain to manage COVID-19 on an endemic level. Depending on future circumstances, ongoing actions could be taken by State, federal and local governments and private entities to mitigate the spread and impacts of COVID-19, its variants or other critical health care challenges.

To date, the overall finances and operations of the Board have not been materially adversely affected by the COVID-19 pandemic. Nonetheless, the degree of any future impact to the Board's operations and finances is difficult to predict due to the dynamic nature of the COVID-19 pandemic and any additional actions that may be taken by governmental and other health care authorities to manage the COVID-19 pandemic.

The American Rescue Plan Act of 2021, H.R. 1319 (the "Plan"), signed into law by the President of the United States on March 11, 2021, provided \$1.9 trillion in relief designed to provide funding to address the COVID-19 pandemic and alleviate the economic and health effects of the COVID-19 pandemic. The Plan, in part, provides funding for State and local governments to offset costs to safely reopen schools during the COVID-19 pandemic and to subsidize COVID-19 testing and vaccination programs. In addition, the Plan includes \$350 billion in relief funds to public entities, such as the Board.

The Board has been awarded a total of \$2,676,736 in federal aid to address the effects of the COVID-19 pandemic.

**NOTE 6 SUBSEQUENT EVENTS**

**Refunding Bonds**

On October 24, 2024 the District issued \$11,190,000 in Refunding School Bonds, Series 2024. These Bonds were issued in order to refund the Districts Refunding School Bonds, Series 2014 and Refunding School Bonds, Series 2015. The District awarded the sale of the bonds to RBC Capital Markets at interest rates of 3.00-4.00%. These Bonds will mature over 10 years with the first maturity due January 15, 2025.



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**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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## **BUDGETARY COMPARISON SCHEDULES**

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>REVENUES</b>					
Local Sources					
Local Tax Levy	\$ 21,829,868		\$ 21,829,868	\$ 21,829,868	
Tuition from Other LEA's within the State	5,275,353		5,275,353	5,226,058	\$ (49,295)
Transportation Fees from Other LEA's within the State	52,000		52,000	1,424	(50,576)
Interest on Investments				55,382	55,382
Interest Earned on Capital Reserve	1		1		(1)
Interest Earned on Unemployment				1,392	1,392
Rents and Royalties	50,000		50,000	135,108	85,108
Unrestricted Miscellaneous Revenues	75,000	-	75,000	96,661	21,661
Total Local Sources	27,282,222	-	27,282,222	27,345,893	63,671
State Sources					
School Choice Aid	15,122		15,122	15,122	
Transportation Aid	58,651		58,651	58,651	
Extraordinary Aid	786,500		786,500	576,438	(210,062)
Special Education Aid	993,567		993,567	993,567	
Equalization Aid	2,581,950		2,581,950	2,581,950	
Security Aid	238,909		238,909	238,909	
TPAF Pension System Contribution (On-Behalf - Non-Budgeted)				5,460,595	5,460,595
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				62,275	62,275
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,503,123	1,503,123
TPAF Long-Term Disability Contributions ( Non-Budgeted)				2,224	2,224
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,133,386	1,133,386
Total State Sources	4,674,699	-	4,674,699	12,626,240	7,951,541
Federal Sources					
Medicaid Reimbursement	73,827	-	73,827	53,908	(19,919)
Total Federal Sources	73,827	-	73,827	53,908	(19,919)
Total Revenues	32,030,748	-	32,030,748	40,026,041	7,995,293
<b>EXPENDITURES</b>					
CURRENT					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	416,375	\$ (12,254)	404,121	404,121	
Grades 1-5	2,174,669	154,452	2,329,121	2,329,121	
Grades 6-8	1,443,296	(12,110)	1,431,186	1,431,186	
Grades 9-12	4,021,625	22,433	4,044,058	4,044,058	
Regular Programs - Home Instruction					
Salaries of Teachers	18,000	(10,490)	7,510	5,120	2,390
Purchased Professional-Educational Services	22,500	24,759	47,259	37,972	9,287
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction		38,099	38,099	38,099	
Purchased Professional-Educational Services		4,672	4,672	4,672	
Purchased Technical Services	81,181	4,846	86,027	86,027	
Other Purchased Services	147,937	(7,889)	140,048	139,022	1,026
General Supplies	386,603	(27,073)	359,530	308,563	50,967
Textbooks	3,100	5,702	8,802	8,191	611
Other Objects	1,208	5,282	6,490	5,940	550
Total Regular Programs - Instruction	8,716,494	190,429	8,906,923	8,842,092	64,831
Special Education					
Learning and/or Language Disabilities - Mild/Moderate					
Salaries of Teachers	426,865	(69,100)	357,765	357,469	296
Other Salaries for Instruction	216,675	75,848	292,523	278,208	14,315
Other Purchased Services (400-500 series)	175	(96)	79	48	31
General Supplies	4,500	-	4,500	1,481	3,019
Total Learning and/or Language Disabilities - Mild/Moderate	648,215	6,652	654,867	637,206	17,661

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**EXHIBIT C-1**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
<b>CURRENT (Continued)</b>					
Multiple Disabilities					
Salaries of Teachers	\$ 156,185	\$ (44,591)	\$ 111,594	\$ 109,088	\$ 2,506
Other Salaries for Instruction	80,198	4,571	84,769	76,463	8,306
Other Purchased Services (400-500 series)	100	(74)	26		26
General Supplies	1,000	-	1,000	582	418
Total Multiple Disabilities	237,483	(40,094)	197,389	186,133	11,256
Resource Room/Resource Center					
Salaries of Teachers	1,699,993	33,341	1,733,334	1,729,423	3,911
Other Salaries for Instruction	620,434	(32,530)	587,904	584,422	3,482
Other Purchased Services (400-500 series)	1,040	(138)	902	415	487
General Supplies	5,500	-	5,500	4,232	1,268
Total Resource Room/Resource Center	2,326,967	673	2,327,640	2,318,492	9,148
Preschool Disabilities - Full Time					
Salaries of Teachers	105,825	(25,238)	80,587	72,157	8,430
Other Salaries for Instruction	89,032	(2,450)	86,582	86,582	
General Supplies	300	-	300	268	32
Total Preschool Disabilities - Full-Time	195,157	(27,688)	167,469	159,007	8,462
Home Instruction					
Salaries of Teachers	3,000	17,343	20,343	20,343	
Purchased Professional Educational Services	29,500	27,509	57,009	49,518	7,491
Other Purchased Services (400-500 series)	35	(35)	-	-	-
Total Home Instruction	32,535	44,817	77,352	69,861	7,491
Total Special Education - Instruction	3,440,357	(15,640)	3,424,717	3,370,699	54,018
Basic Skills/Remedial - Instruction					
Salaries of Teachers	377,829	(40,295)	337,534	321,489	16,045
Other Purchased Services (400-500 series)	175	62	237	221	16
General Supplies	2,156	326	2,482	2,433	49
Total Basic Skills/Remedial - Instruction	380,160	(39,907)	340,253	324,143	16,110
Bilingual Education - Instruction					
Salaries of Teachers	379,700	(980)	378,720	376,455	2,265
Other Purchased Services (400-500 series)	245	300	545	545	
General Supplies	13,546	(516)	13,030	8,967	4,063
Total Bilingual Education - Instruction	393,491	(1,196)	392,295	385,967	6,328
School Sponsored Co-Curricular Activities - Instruction					
Salaries	124,065	6,809	130,874	130,874	
Purchased Services (300-500 series)	6,500		6,500	5,707	793
Supplies and Materials	3,500	-	3,500	3,426	74
Total School Sponsored Co-Curricular Activities - Instruction	134,065	6,809	140,874	140,007	867
School Sponsored Athletics - Instruction					
Salaries	607,215	(6,809)	600,406	554,031	46,375
Purchased Services (300-500 series)	129,380	2,138	131,518	115,260	16,258
Supplies and Materials	87,000	(3,460)	83,540	80,706	2,834
Other Objects	13,110	610	13,720	9,035	4,685
Total School Sponsored Athletics - Instruction	836,705	(7,521)	829,184	759,032	70,152
Other Instructional Programs - Instruction					
Supplies and Materials	1,000	-	1,000	-	1,000
Total Other Instructional Programs - Instruction	1,000	-	1,000	-	1,000
Total Instruction	13,902,272	132,974	14,035,246	13,821,940	213,306

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**EXHIBIT C-1**

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
<b>CURRENT (Continued)</b>					
Undistributed Expenditures					
Instruction (Tuition)					
Tuition to Other LEAs w/i State -Regular	\$ 16,322	\$ (16,322)			
Tuition to Other LEAs w/i State - Special	337,139	(35,685)	\$ 301,454	\$ 301,454	
Tuition to County Voc. School Dist.-Regular	286,110	353	286,463	285,246	\$ 1,217
Tuition to County Voc. School Dist.- Special	14,853	(13,130)	1,723	1,723	
Tuition to CSSD and Regional Day Schools	78,011	35,400	113,411	111,893	1,518
Tuition to Priv. Sch. Disabled Within State	1,522,853	(159,731)	1,363,122	1,196,173	166,949
Tuition- State Facilities	4,500	-	4,500	4,500	-
Total Undistributed Expenditures - Instruction (Tuition)	2,259,788	(189,115)	2,070,673	1,900,989	169,684
Attendance and Social Work					
Salaries	19,167	1,933	21,100	20,817	283
Purchased Professional and Technical Services	8,026	57	8,083	8,083	
Supplies and Materials	500	(500)	-	-	-
Total Attendance and Social Work	27,693	1,490	29,183	28,900	283
Health Services					
Salaries	281,049	11,464	292,513	292,513	
Purchased Professional and Technical Services	23,900	3,139	27,039	26,584	455
Other Purchased Services (400-500 series)	1,548	(1,230)	318	318	
Supplies and Materials	10,657	224	10,881	10,778	103
Total Health Services	317,154	13,597	330,751	330,193	558
Other Support Serv. Students - Speech, OT, PT & Related Serv.					
Salaries	552,086	18,735	570,821	570,546	275
Purchased Professional/Educational Services	497,324	(18,392)	478,932	471,121	7,811
Supplies and Materials	4,000	-	4,000	2,767	1,233
Total Other Supp.Serv. Student- Speech, OT, PT, & Related Serv.	1,053,410	343	1,053,753	1,044,434	9,319
Other Support Services - Students - Extra Serv.					
Salaries	459,508	(68,674)	390,834	383,740	7,094
Purchased Professional/Educational Services	501,161	(15,645)	485,516	368,700	116,816
Total Other Supp.Serv. Student - Extra Serv.	960,669	(84,319)	876,350	752,440	123,910
Guidance					
Salaries of Other Professional Staff	697,550	20,553	718,103	717,848	255
Salaries of Secretarial & Clerical Assistants	61,165		61,165	61,165	
Other Salaries	8,500	543	9,043	7,636	1,407
Purchased Professional/Educational Services	14,357	331	14,688	14,577	111
Other Purchased Professional and Technical Svs.	12,240	(2,160)	10,080	4,496	5,584
Other Purchased Services	4,792	(435)	4,357	4,207	150
Supplies and Materials	13,917	(273)	13,644	9,089	4,555
Other Objects	872	-	872	597	275
Total Guidance	813,393	18,559	831,952	819,615	12,337
Child Study Teams					
Salaries of Other Professional Staff	957,742	11,489	969,231	946,399	22,832
Salaries of Secretarial & Clerical Assistants	61,651	(4,760)	56,891	56,891	
Other Salaries	20,250	1,989	22,239	21,297	942
Purchased Professional-Educational Services	19,900	(4,340)	15,560	15,250	310
Other Purchased Professional and Technical Services	5,901	7,662	13,563	13,563	
Other Purchased Services (400-500 Series)	11,935	(1,876)	10,059	4,927	5,132
Supplies and Materials	25,545	(4,357)	21,188	17,302	3,886
Other Objects	1,843	-	1,843	1,765	78
Total Child Study Teams	1,104,767	5,807	1,110,574	1,077,394	33,180
Improvement of Instruction Services					
Salaries of Supervisors of Instruction	622,782	(155,056)	467,726	467,671	55
Salaries Other Prof Staff	2,625	(2,625)			
Salaries of Secretarial & Clerical Assistants	63,500		63,500	63,500	
Other Salaries	3,500	(302)	3,198	2,155	1,043
Salaries of Facilitators, Math and Literacy Coaches	5,000		5,000	2,500	2,500
Purchased Professional/Educational Services	11,372	(330)	11,042	10,534	508
Other Purchased Professional and Technical Services	12,310	898	13,208	13,208	
Travel - All Other		209	209	209	
Supplies and Materials	7,587	(1,118)	6,469	4,059	2,410
Other Objects	3,720	(1,100)	2,620	2,620	-
Total Improvement of Instruction Services	732,396	(159,424)	572,972	566,456	6,516

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES</b>					
CURRENT (Continued)					
Undistributed Expenditures (Continued)					
Educational Media/School Library					
Salaries	\$ 252,840	\$ (700)	\$ 252,140	\$ 251,920	\$ 220
Salaries of Technology Coordinators	126,855		126,855	126,855	
Purchased Professional and Technical Services	4,319	(334)	3,985	3,979	6
Other Purchased Services (400-500 Series)	70	563	633	633	
Supplies and Materials	15,968	(2,306)	13,662	11,166	2,496
Other Objects	80	-	80	80	-
Total Educational Media/School Library	400,132	(2,777)	397,355	394,633	2,722
Instructional Staff Training Services					
Other Salaries	3,200		3,200	2,187	1,013
Purchased Professional Educational Services	-	2,500	2,500	2,500	-
Other Purchased Services (400-500 Series)	6,250	1,645	7,895	6,933	962
Other Objects	1,050	(750)	300	300	-
Total Instructional Staff Training Services	10,500	3,395	13,895	11,920	1,975
Support Services General Administration					
Salaries	286,322	133,784	420,106	420,106	
Legal Services	125,000		125,000	100,946	24,054
Audit Fees	36,390		36,390	33,970	2,420
Architectural/Engineering Services	10,000	(1,964)	8,036	304	7,732
Other Purchased Professional Services	2,100	265	2,365	2,365	
Purchased Technical Services	18,869		18,869	17,795	1,074
Communications/Telephone	102,831	2,119	104,950	100,745	4,205
BOE Other Purchased Services	4,000	(410)	3,590	3,448	142
Miscellaneous Purchased Services	21,351	(841)	20,510	20,089	421
General Supplies	7,798	1,860	9,658	9,266	392
Judgements Against the School District	2,500	3,218	5,718	3,218	2,500
Miscellaneous Expenditures	2,849	4,959	7,808	7,758	50
BOE Membership Dues and Fees	10,600	2,395	12,995	12,995	-
Total Support Services General Administration	630,610	145,385	775,995	733,005	42,990
Support Services School Administration					
Salaries of Principals/Asst. Principals/Program Directors	484,372	15,467	499,839	499,839	
Salaries of Other Professional Staff	120,788		120,788	120,788	
Salaries of Secretarial and Clerical Assistants	272,813	29	272,842	271,855	987
Purchased Professional and Technical Services		11,955	11,955	11,955	
Other Purchased Services (400-500 Series)	8,123	3,556	11,679	11,536	143
Supplies and Materials	35,190	(5,544)	29,646	27,802	1,844
Other Objects	7,006	1,342	8,348	8,348	-
Total Support Services School Administration	928,292	26,805	955,097	952,123	2,974
Undistributed Expenditures - Central Services					
Salaries	365,041	5,250	370,291	370,291	
Purchased Professional Services	17,223	(215)	17,008	17,008	
Purchased Professional Services - Public Relation Costs	4,000	(1,371)	2,629	769	1,860
Purchased Technical Services	13,254	1,788	15,042	15,042	
Misc. Purchased Services	3,300	(552)	2,748	2,545	203
Supplies and Materials	5,000	1,861	6,861	5,861	1,000
Miscellaneous Expenditures	2,171	203	2,374	2,374	-
Total Undistributed Expenditures - Central Services	409,989	6,964	416,953	413,890	3,063
Undistributed Expenditures - Admin. Info. Tech.					
Purchased Technical Services	47,764	(93)	47,671	38,213	9,458
Supplies and Materials	2,000	93	2,093	2,093	
Other Objects	125	-	125	-	125
Total Undistributed Expenditures - Admin. Info. Tech.	49,889	-	49,889	40,306	9,583
Required Maintenance for School Facilities					
Salaries	258,448	7,737	266,185	266,185	
Cleaning, Repair and Maintenance Services	68,373	16,465	84,838	73,528	11,310
General Supplies	14,070	(4,812)	9,258	8,858	400
Total Required Maintenance for School Facilities	340,891	19,390	360,281	348,571	11,710

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES (Continued)</b>					
Custodial Services					
Salaries	\$ 598,150	\$ (20,352)	\$ 577,798	\$ 577,798	
Salaries of Non-Instructional Aides	134,872	27,818	162,690	162,690	
Unused Vac Payment to Term / Ret Staff		2,544	2,544	2,544	
Purchased Professional and Technical Services	1,534	(49)	1,485	1,485	
Cleaning, Repair and Maintenance Services	47,300	(6,571)	40,729	38,398	\$ 2,331
Other Purchased Property Services	24,156	3,880	28,036	27,996	40
Insurance	301,969	7,223	309,192	309,192	
General Supplies	54,390	9,899	64,289	63,510	779
Energy (Natural Gas)	133,000	30,693	163,693	159,611	4,082
Energy (Electricity)	195,500	87,843	283,343	234,934	48,409
Energy (Oil)	2,350	(10)	2,340	1,244	1,096
Total Custodial Services	1,493,221	142,918	1,636,139	1,579,402	56,737
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	9,940	(7,394)	2,546	2,546	
Cleaning, Repair and Maintenance Services	4,700	30,140	34,840	19,860	14,980
General Supplies	3,760	3,601	7,361	7,361	-
Total Care and Upkeep of Grounds	18,400	26,347	44,747	29,767	14,980
Security					
Purchased Professional and Technical Services	1,500	-	1,500	1,500	
Cleaning, Repair and Maintenance Services	5,390	15,005	20,395	18,963	1,432
General Supplies	1,000	332	1,332	1,306	26
Total Security	7,890	15,337	23,227	21,769	1,458
Student Transportation Services					
Salaries of Non- Instructional Aides	33,287	(12,950)	20,337	20,337	
Salaries for Pupil Transportation (Between Home and School) - Special Ed.	63,761	14,891	78,652	78,652	
Salaries for Pupil Transportation (Other Than Between Home and School)	77,078	(33,810)	43,268	37,850	5,418
Cleaning, Repair and Maintenance Services	10,000	12,787	22,787	22,787	
Rental Payments - School Buses	2,000	(650)	1,350	1,350	
Lease Purchase Payments - School Buses	38,871	-	38,871	38,871	
Contracted Services - Aid in Lieu Payments - Charter School		1,165	1,165	1,165	
Contracted Services - Aid in Lieu Payments - Choice School	1,000	165	1,165	1,165	
Contracted Services (Between Home and School) - Vendors	286,000	(69,392)	216,608	213,288	3,320
Contracted Services (Other Than Between Home and School) - Vendors	64,939	53,352	118,291	117,861	430
Contracted Services (Special Ed Students) - Vendors	717,840	36,114	753,954	711,326	42,628
Transportation Supplies	15,000	-	15,000	5,880	9,120
Other Objects	1,200	-	1,200	423	777
Total Student Transportation Services	1,310,976	1,672	1,312,648	1,250,955	61,693
Allocated Benefits					
Special Education - Instruction					
Learning and/or Language Disabilities - Mild/Moderate					
Social Security Contributions		24,451	24,451	24,331	120
Pension Contributions		6,660	6,660	6,660	
Worker's Compensation		2,666	2,666	2,666	
Health Benefits		166,335	166,335	160,944	5,391
Other Employee Benefits	-	10,000	10,000	10,000	-
Total Allocated Benefits - Learning and/or Language Disabilities - Mild/M	-	210,112	210,112	204,601	5,511
Multiple Disabilities					
Social Security Contributions		7,003	7,003	7,003	
Pension Contributions		26,709	26,709	26,709	
Worker's Compensation		786	786	786	
Health Benefits		57,822	57,822	10,281	47,541
Other Employee Benefits	-	5,000	5,000	5,000	-
Total Allocated Benefits - Multiple Disabilities	-	97,320	97,320	49,779	47,541
Resource Room/Resource Center					
Social Security Contributions		51,081	51,081	51,028	53
Pension Contributions		103,529	103,529	103,529	
Worker's Compensation		10,306	10,306	10,306	
Health Benefits		605,011	605,011	605,011	
Other Employee Benefits	-	40,000	40,000	38,050	1,950
Total Allocated Benefits - Resource Room/Resource Center	-	809,927	809,927	807,924	2,003

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES (Continued)</b>					
Allocated Benefits (Continued)					
Preschool Disabilities - Full Time					
Social Security Contributions		\$ 7,365	\$ 7,365	\$ 7,365	
Pension Contributions		13,459	13,459	13,459	
Worker's Compensation		770	770	770	
Health Benefits	-	70,593	70,593	69,993	\$ 600
Total Allocated Benefits - Preschool Disabilities - Full Time	-	92,187	92,187	91,587	600
Home Instruction					
Social Security Contributions	-	1,669	1,669	1,555	114
Total Allocated Benefits - Home Instruction	-	1,669	1,669	1,555	114
Basic Skills/Remedial - Instruction					
Social Security Contributions	-	4,631	4,631	3,792	839
Total Allocated Benefits - Basic Skills/Remedial - Instruction	-	4,631	4,631	3,792	839
Bilingual Education - Instruction					
Social Security Contributions	-	620	620	555	65
Total Allocated Benefits - Bilingual Education - Instruction	-	620	620	555	65
Other Support Services - Students - Extra Serv.					
Social Security Contributions		30,822	30,822	30,013	809
Pension Contributions		64,164	64,164	64,164	
Worker's Compensation		1,532	1,532	1,532	
Health Benefits		186,584	186,584	186,584	
Other Employee Benefits	-	8,500	8,500	8,000	500
Total Allocated Benefits - Other Support Services - Students - Extra Serv.	-	291,602	291,602	290,293	1,309
Support Services - General Administration					
Tuition Reimbursement	\$ 5,500	(5,270)	230	-	230
Total Allocated Benefits - Support Services - General Administration	5,500	(5,270)	230	-	230
Support Services - School Administration					
Tuition Reimbursement	9,000	(1,718)	7,282	2,116	5,166
Total Allocated Benefits - Support Services - School Administration	9,000	(1,718)	7,282	2,116	5,166
Support Services - Student Transportation Services					
Social Security Contributions		11,104	11,104	10,480	624
Pension Contributions		12,584	12,584	12,584	
Worker's Compensation		3,171	3,171	3,171	
Health Benefits	-	43,052	43,052	43,052	-
Total Allocated Benefits - Student Transportation Services	-	69,911	69,911	69,287	624
Total Allocated Benefits	14,500	1,570,991	1,585,491	1,521,489	64,002
Unallocated Benefits					
Group Insurance	5,800	(422)	5,378	5,378	
Social Security Contributions	415,800	(138,956)	276,844	275,540	1,304
Other Retirement Contributions - PERS	512,562	(195,154)	317,408	317,408	
Other Retirement Contributions - Regular	12,000		12,000	7,641	4,359
Unemployment Compensation (Non-Budgeted)				8,912	(8,912)
Workmen's Compensation	113,208	(14,449)	98,759	98,759	
Health Benefits	4,058,416	(1,263,174)	2,795,242	2,738,231	57,011
Tuition Reimbursement	55,000	2,290	57,290	56,202	1,088
Other Employee Benefits	277,000	(69,913)	207,087	195,332	11,755
Unused Sick Payment to Terminated/Retired Staff	-	1,320	1,320	1,320	-
Total Unallocated Benefits	5,449,786	(1,678,458)	3,771,328	3,704,723	66,605



**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final To Actual
<b>EXPENDITURES (Continued)</b>					
On-Behalf (Non-Budget)					
TPAF Pension System Contribution (On-Behalf - Non-Budgeted)				\$ 5,460,595	\$ (5,460,595)
TPAF Non-Contributory Insurance (On-Behalf - Non-Budgeted)				62,275	(62,275)
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				1,503,123	(1,503,123)
TPAF Long-Term Disability Contributions (Non-Budgeted)				2,224	(2,224)
Reimbursed TPAF Social Security Contributions (Non-Budgeted)	-	-	-	1,133,386	(1,133,386)
Total On-Behalf	-	-	-	8,161,603	(8,161,603)
Total Undistributed Expenditures	\$ 18,334,346	\$ (115,093)	\$ 18,219,253	25,684,577	(7,465,324)
Total Current Expenditures	32,236,618	17,881	32,254,499	39,506,517	(7,252,018)
<b>EXPENDITURES</b>					
<b>CAPITAL OUTLAY</b>					
Equipment					
School Sponsored and Other Instructional Programs		59,150	59,150	9,720	49,430
Undistributed Expenditures - Care and Upkeep of Grounds	-	14,678	14,678	14,678	-
Total Equipment	-	73,828	73,828	24,398	49,430
Facilities Acquisition and Construction Services					
Construction Services	614,978	(8,062)	606,916	548,245	58,671
Lease Purchase Agreements- Principal	3,669	(82)	3,587	3,587	
Other Objects	147	81	228	228	
Assessment for Debt Service on SDA Funding	5,733	-	5,733	5,733	-
Total Facilities Acquisition and Construction Services	624,527	(8,063)	616,464	557,793	58,671
Interest Deposit to Capital Reserve	1	(1)	-	-	-
Total Capital Outlay	624,528	65,764	690,292	582,191	108,101
Transfer of Funds to Charter School	43,160	-	43,160	43,160	-
Total General Fund	32,904,306	83,645	32,987,951	40,131,868	(7,143,917)
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(873,558)	(83,645)	(957,203)	(105,827)	851,376
Other Financing Sources (Uses)					
Local Contribution - Preschool - Transfer to Special Revenue Fund	(360,048)	-	(360,048)	(360,048)	-
Transfer from Capital Projects Fund	-	-	-	55,528	55,528
Total Other Financing Sources	(360,048)	-	(360,048)	(304,520)	55,528
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing Sources (Uses)	(1,233,606)	(83,645)	(1,317,251)	(410,347)	906,904
Fund Balance, Beginning of Year	3,016,413	-	3,016,413	3,016,413	-
Fund Balance, End of Year	\$ 1,782,807	\$ (83,645)	1,699,162	2,606,066	\$ 906,904
<b>Reconciliation of Governmental Funds Statements (GAAP)</b>					
Restricted					
Capital Reserve				\$ 963,903	
Maintenance Reserve				50,000	
Unemployment Compensation				27,199	
Excess Surplus				387,424	
Excess Surplus, Designated for Subsequent Year's Expenditures				300,000	
Committed					
Year End Encumbrances				23,677	
Assigned					
Designated for Subsequent Year's Expenditures				104,436	
Year End Encumbrances				102,821	
Unassigned				646,606	
Fund Balance- Budgetary Basis				2,606,066	
Less: State Aid Revenue not recognized on GAAP basis				(951,273)	
Fund Balance per Governmental Funds Statements (GAAP)				\$ 1,654,793	

**TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Intergovernmental					
Local	\$ 20,400	\$ 173,627	\$ 194,027	\$ 166,023	\$ (28,004)
State	2,028,975	123,166	2,152,141	2,137,640	(14,501)
Federal	1,397,801	264,637	1,662,438	1,508,612	(153,826)
Total Revenues	3,447,176	561,430	4,008,606	3,812,275	(196,331)
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	1,571,115	(776,690)	794,425	794,253	172
Other Salaries for Instruction	524,939	(86,651)	438,288	426,844	11,444
Purchased Professional/Technical Services	37,640	131,804	169,444	162,598	6,846
Tuition	393,671	13,949	407,620	407,620	
Other Purchased Services		56,386	56,386	56,386	
General Supplies	120,307	284,985	405,292	362,679	42,613
Textbooks	17,169		17,169	17,169	
Student Activities	11,400	141,929	153,329	160,822	(7,493)
Total Instruction	2,676,241	(234,288)	2,441,953	2,388,371	53,582
Support Services					
Salaries of Supervisors of Instruction		22,716	22,716	22,716	
Salaries of Program Directors	103,777	(23,174)	80,603	80,567	36
Salary of Other Professional Staff	96,985	(644)	96,341	96,341	
Salaries of Secretarial and Clerical Assistants	39,027	1,326	40,353	40,353	
Other Salaries	53,837	41,586	95,423	95,413	10
Salaries of Community Parent Involvement Spec.	5,500		5,500	5,500	
Salaries of Master Teachers	96,725		96,725	96,725	
Personal Services - Employee Benefits	607,797	219,944	827,741	810,425	17,316
Purchased Professional and Technical Services	19,116	185,291	204,407	181,375	23,032
Cleaning, Repair and Maintenance Services	26,159	182,104	208,263	162,388	45,875
Other Purchased Services		88,200	88,200	86,847	1,353
Contract Services-Transportation (Field Trips)	4,500	(3,033)	1,467		1,467
Travel	1,400	76,895	78,295	63,711	14,584
Miscellaneous Purchased Services	7,800	(5,838)	1,962	1,169	793
Supplies and Materials	59,360	6,995	66,355	38,962	27,393
Scholarship Awards	9,000	3,350	12,350	12,350	-
Total Support Services	1,130,983	795,718	1,926,701	1,794,842	131,859
Total Expenditures	3,807,224	561,430	4,368,654	4,183,213	185,441
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(360,048)	-	(360,048)	(370,938)	(10,890)
Other Financing Sources (Uses)					
Operating Transfers Out				(22,353)	(22,353)
Operating Transfers In	360,048	-	360,048	360,048	-
Total Other Financing Sources	360,048	-	360,048	337,695	(22,353)
Excess (Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures	-	-	-	(33,243)	(33,243)
Fund Balances, Beginning of Year	392,490	-	392,490	392,490	-
Fund Balances, End of Year	\$ 392,490	\$ -	\$ 392,490	\$ 359,247	\$ (33,243)
<b>Reconciliation of Governmental Funds Statements (GAAP)</b>					
Restricted					
Student Activities				\$ 120,657	
Scholarships				238,590	
Fund Balance- Budgetary Basis				359,247	
Less: State Aid Revenue not recognized on GAAP basis				(171,802)	
Fund Balance per Governmental Funds Statements (GAAP)				\$ 187,445	

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**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II**

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULES  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>
<b>Sources/inflows of resources</b>		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedule	\$ 40,026,041	\$ 3,812,275
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, whereas the GAAP Basis does not.		
Encumbrances, June 30, 2024		(26,392)
Encumbrances, June 30, 2023		252,911
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	1,136,530	123,237
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(951,273)</u>	<u>(171,802)</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 40,211,298</u>	<u>\$ 3,990,229</u>
<b>Uses/outflows of resources</b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 40,131,868	\$ 4,183,213
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.		
Encumbrances, June 30, 2024		(26,392)
Encumbrances, June 30, 2023	<u>-</u>	<u>252,911</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 40,131,868</u>	<u>\$ 4,409,732</u>

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**PENSION INFORMATION**

**AND**

**OTHER POST-EMPLOYMENT BENEFITS INFORMATION**

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employees Retirement System**

**Last Ten Fiscal Years\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0.04774%	0.04763%	0.04428%	0.04101%	0.03952%	0.03841%	0.03969%	0.03748%	0.03452%	0.03209%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 6,915,045	\$ 7,189,241	\$ 5,246,366	\$ 6,688,408	\$ 7,121,123	\$ 7,564,016	\$ 9,240,543	\$ 11,101,169	\$ 7,751,074	\$ 6,008,550
District's Covered Payroll	\$ 3,703,670	\$ 3,415,782	\$ 3,336,193	\$ 3,142,626	\$ 2,841,045	\$ 2,667,647	\$ 2,692,375	\$ 2,635,509	\$ 2,413,304	\$ 2,272,309
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	187%	210%	157%	213%	251%	284%	343%	421%	321%	264%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.59%	48.10%	40.14%	47.92%	52.08%

\* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Ten Fiscal Years  
(Dollar amounts in thousands)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 638,077	\$ 600,739	\$ 518,643	\$ 448,680	\$ 384,425	\$ 382,120	\$ 367,739	\$ 332,987	\$ 296,857	\$ 271,476
Contributions in Relation to the Contractually Required Contribution	<u>638,077</u>	<u>600,739</u>	<u>518,643</u>	<u>448,680</u>	<u>384,425</u>	<u>382,120</u>	<u>367,739</u>	<u>332,987</u>	<u>296,857</u>	<u>271,476</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 3,888,430	\$ 3,703,670	\$ 3,415,782	\$ 3,336,193	\$ 3,142,626	\$ 2,841,045	\$ 2,667,647	\$ 2,692,375	\$ 2,635,509	\$ 2,413,304
Contributions as a Percentage of Covered Payroll	16.41%	16.22%	15.18%	13.45%	12.23%	13.45%	13.79%	12.63%	9.04%	11.95%

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Teachers Pension and Annuity Fund**

**Last Ten Fiscal Years\***

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>61,751,243</u>	<u>61,196,032</u>	<u>56,222,755</u>	<u>75,141,142</u>	<u>69,813,017</u>	<u>71,224,092</u>	<u>73,100,319</u>	<u>82,265,151</u>	<u>63,946,677</u>	<u>57,675,711</u>
Total	<u>\$ 61,751,243</u>	<u>\$ 61,196,032</u>	<u>\$ 56,222,755</u>	<u>\$ 75,141,142</u>	<u>\$ 69,813,017</u>	<u>\$ 71,224,092</u>	<u>\$ 73,100,319</u>	<u>\$ 82,265,151</u>	<u>\$ 63,946,677</u>	<u>\$ 57,675,711</u>
District's Covered Payroll	\$ 15,012,827	\$ 14,326,851	\$ 13,919,341	\$ 13,192,027	\$ 12,456,853	\$ 11,937,455	\$ 11,714,471	\$ 11,137,027	\$ 10,483,171	\$ 10,382,424
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.48%	25.41%	22.33%	28.74%	33.64%

- The amounts presented for each fiscal year were determined as of the previous fiscal year-end.



**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY  
AND SCHEDULE OF DISTRICT CONTRIBUTIONS  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Change of Benefit Terms:** None.

**Change of Assumptions:** Assumptions used in calculating the net pension liability and  
statutorily required employer contribution are presented in  
Note 4D.

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF  
TOTAL OPEB LIABILITY**

**Postemployment Health Benefit Plan**

**Last Seven Fiscal Years\***

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Cost	\$ 2,496,159	\$ 3,261,593	\$ 3,615,305	\$ 1,981,020	\$ 1,823,408	\$ 2,003,820	\$ 2,433,262
Interest on Total OPEB Liability	1,971,591	1,388,838	1,631,510	1,542,820	1,818,605	1,865,216	1,599,938
Changes of Benefit Terms			(66,942)				
Differences Between Expected and Actual Experience	480,236	253,513	(10,422,634)	11,622,031	(6,126,055)	(2,315,657)	
Changes of Assumptions	112,835	(14,058,592)	62,049	12,661,864	636,356	(5,255,618)	(6,695,977)
Gross Benefit Payments	(1,536,887)	(1,375,685)	(1,285,173)	(1,206,755)	(1,310,137)	(1,224,638)	(1,141,786)
Contribution from the Member	<u>50,525</u>	<u>44,133</u>	<u>41,710</u>	<u>36,577</u>	<u>38,836</u>	<u>42,325</u>	<u>42,043</u>
<b>Net Change in Total OPEB Liability</b>	<u>3,574,459</u>	<u>(10,486,200)</u>	<u>(6,424,175)</u>	<u>26,637,557</u>	<u>(3,118,987)</u>	<u>(4,884,552)</u>	<u>(3,762,520)</u>
<b>Total OPEB Liability - Beginning</b>	<u>52,406,792</u>	<u>62,892,992</u>	<u>69,317,167</u>	<u>42,679,610</u>	<u>45,798,597</u>	<u>50,683,149</u>	<u>54,445,669</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 55,981,251</u>	<u>\$ 52,406,792</u>	<u>\$ 62,892,992</u>	<u>\$ 69,317,167</u>	<u>\$ 42,679,610</u>	<u>\$ 45,798,597</u>	<u>\$ 50,683,149</u>
 District's Proportionate Share of OPEB Liability	 \$0	 \$0	 \$0	 \$0	 \$0	 \$0	 \$0
State's Proportionate Share of OPEB Liability	<u>55,981,251</u>	<u>52,406,792</u>	<u>62,892,992</u>	<u>69,317,167</u>	<u>42,679,610</u>	<u>45,798,597</u>	<u>50,683,149</u>
<b>Total OPEB Liability - Ending</b>	<u>\$ 55,981,251</u>	<u>\$ 52,406,792</u>	<u>\$ 62,892,992</u>	<u>\$ 69,317,167</u>	<u>\$ 42,679,610</u>	<u>\$ 45,798,597</u>	<u>\$ 50,683,149</u>
 District's Covered Payroll	 \$ 18,716,497	 \$ 17,742,633	 \$ 172,555,434	 \$ 16,334,653	 \$ 15,297,898	 \$ 14,605,102	 \$ 14,406,846
 District's Proportionate Share of the Total OPEB Liability as a Percentage of its Covered Payroll	 0%	 0%	 0%	 0%	 0%	 0%	 0%

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

\*The amounts presented for each fiscal year were determined as of the previous fiscal year end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 75. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**TOWN OF BOONTON SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE DISTRICT'S PROPORTIONATE SHARE OF THE OPEB LIABILITY  
AND SCHEDULE OF DISTRICT PROPORTIONATE SHARE OF THE OPEB LIABILITY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Changes in Benefit Terms:**

None.

**Changes of Assumptions**

Assumptions used in calculating the OPEB liability are presented in Note 4E.

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## **OTHER SUPPLEMENTARY INFORMATION**

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**SCHOOL LEVEL SCHEDULES**

**NOT APPLICABLE**

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**SPECIAL REVENUE FUND**

TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Every Student Succeeds Act (ESSA)				IDEA			Local Grants	Sub-Total Page 2	Sub-Total Page 3	Total
	Title I	Title II-A	Title III	Title III Immigrant	Title IV	Part B, Basic	Preschool				
<b>REVENUES</b>											
Intergovernmental											
State									\$ 2,100,730	\$ 36,910	\$ 2,137,640
Federal	\$ 209,188	\$ 41,117	\$ 3,509	\$ 556	\$ 13,250	\$ 442,559	\$ 25,952		137,782	634,699	1,508,612
Local Sources	-	-	-	-	-	-	-	\$ 26,094	-	139,929	166,023
Total Revenues	209,188	41,117	3,509	556	13,250	442,559	25,952	26,094	2,238,512	811,538	3,812,275
<b>EXPENDITURES</b>											
Instruction											
Salaries of Teachers	112,540		332					2,496	678,885	-	794,253
Other Salaries for Instruction	803			556					425,485	-	426,844
Purchased Professional & Technical Services									156,598	6,000	162,598
Tuition						407,620					407,620
General Supplies	34,177		3,152			2,791	5,289	21,899	91,690	203,681	362,679
Textbooks									17,169		17,169
Student Activities	-	-	-	-	-	-	-	-	-	160,822	160,822
Total Instruction	147,520	-	3,484	556	-	410,411	5,289	24,395	1,426,213	370,503	2,388,371
Support Services											
Salaries of Supervisors of Instruction									22,716		22,716
Salaries of Program Directors									80,567		80,567
Salary of Other Professional Staff									96,341	-	96,341
Salaries of Secretarial and Clerical Assistants									40,353		40,353
Other Salaries		4,000							48,506	42,907	95,413
Salaries of Community Parent Involvement Spec.									5,500		5,500
Salaries of Family Liaison									-		-
Salaries of Master Teachers									96,725	-	96,725
Personal Services Employee-Benefits	61,227	305	25						713,321	35,547	810,425
Purchased Professional and Technical Services		6,000			13,250	12,139	20,494		33,855	95,637	181,375
Purchased Properties											-
Cleaning, Repair and Maintenance Services									15,104	147,284	162,388
Other Purchased Services	441	88							7,034	79,284	86,847
Contract Services-Transportation (Field Trips)									-		-
Travel		30,724				5,939	169			26,879	63,711
Miscellaneous Purchased Services									1,169		1,169
Supplies and Materials						14,070		1,699	11,156	12,037	38,962
Other Object									-	-	-
Scholarship Awards	-	-	-	-	-	-	-	-	-	12,350	12,350
Total Support Services	61,668	41,117	25	-	13,250	32,148	20,663	1,699	1,172,347	451,925	1,794,842
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	209,188	41,117	3,509	556	13,250	442,559	25,952	26,094	2,598,560	822,428	4,183,213
Other Financing Sources (Uses)											
Transfer to Food Service Fund										(22,353)	(22,353)
Transfer from General Fund - Preschool	-	-	-	-	-	-	-	-	360,048	-	360,048
Total Other Financing Sources	-	-	-	-	-	-	-	-	360,048	(22,353)	337,695
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	(33,243)	(33,243)
Fund Balances, Beginning of Year (Restated)	-	-	-	-	-	-	-	-	-	392,490	392,490
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 359,247	\$ 359,247

TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

REVENUES	ASCERS	Nonpublic Auxiliary Services		Nonpublic Handicapped Services		New Jersey Nonpublic Aid				Preschool Education Aid	Total Page 2
		Compensatory Education	Home Instruction	Examination & Classification	Corrective Speech	Supplemental Instruction	Nursing	Technology	Security	Textbooks	
Intergovernmental											
State		\$ 54,484	\$ 1,024	\$ 26,303	\$ 19,158	\$ 19,989	\$ 35,640	\$ 14,532	\$ 59,427	\$ 17,169	\$ 2,100,730
Federal	\$ 137,782	-	-	-	-	-	-	-	-	-	137,782
Total Revenues	137,782	54,484	1,024	26,303	19,158	19,989	35,640	14,532	59,427	17,169	2,238,512
EXPENDITURES											
Instruction											
Salaries of Teachers										678,885	678,885
Other Salaries for Instruction										425,485	425,485
Purchased Professional/Educational Services		54,484	1,024	26,303	19,158	19,989	35,640			-	156,598
Tuition											-
Other Purchased Services	56,386										56,386
Other Purchases								14,532	59,427	17,731	91,690
General Supplies											
Textbooks	-	-	-	-	-	-	-	-	-	17,169	17,169
Total Instruction	56,386	54,484	1,024	26,303	19,158	19,989	35,640	14,532	59,427	17,169	1,426,213
Support Services											
Salaries of Supervisors of Instruction										22,716	22,716
Salaries of Program Directors										80,567	80,567
Salary of Other Professional Staff										96,341	96,341
Salaries of Secretarial and Clerical Assistants										40,353	40,353
Other Salaries										48,506	48,506
Salaries of Community Parent Involvement Spec.										5,500	5,500
Salaries of Master Teachers										96,725	96,725
Personal Services Employee-Benefits	47,541									665,780	713,321
Purchased Professional and Technical Services	33,855										33,855
Other Purchased Services										7,034	7,034
Cleaning, Repair and Maintenance Services										15,104	15,104
Miscellaneous Purchased Services										1,169	1,169
Supplies and Materials	-	-	-	-	-	-	-	-	-	11,156	11,156
Total Support Services	81,396	-	-	-	-	-	-	-	-	1,090,951	1,172,347
Total Expenditures	137,782	54,484	1,024	26,303	19,158	19,989	35,640	14,532	59,427	17,169	2,598,560
Other Financing Sources (Uses)											
Transfer from General Fund - Preschool	-	-	-	-	-	-	-	-	-	360,048	360,048
Total Other Financing Sources	-	-	-	-	-	-	-	-	-	360,048	360,048
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

				ESSER III			CRRSA ESSER II			
	ARP IDEA Basic	SDA Capital and Emergent Needs	ARP	Accelerated Learning Coach	Beyond the School Day	Mental Health Summer	Mental Health	Student Activities	Scholarship	Total Page 3
REVENUES										
Intergovernmental										
State		\$ 36,910								\$ 36,910
Federal	\$ 30,542		\$ 555,139	\$ 553	\$ 24,229	\$ 24,161	\$ 75			634,699
Local Sources	-	-	-	-	-	-	-	\$ 138,335	\$ 1,594	139,929
Total Revenues	30,542	36,910	555,139	553	24,229	24,161	75	138,335	1,594	811,538
EXPENDITURES										
Instruction										
Salaries of Teachers										\$ -
Other Salaries for Instruction										-
Purchased Professional/Educational Services					6,000					6,000
Other Purchases										-
Tuition										-
Other Purchased Services										-
General Supplies	575		198,720			4,386				203,681
Student Activities	-	-	-	-	-	-	-	160,822	-	160,822
Total Instruction	575	-	198,720	-	6,000	4,386	-	160,822	-	370,503
Support Services										
Salary of Other Professional Staff										-
Salaries of Family Liaison										-
Other Salaries			7,504		16,933	18,400	70			42,907
Salaries of Master Teachers										-
Personal Services Employee-Benefits			32,318	553	1,296	1,375	5			35,547
Other Purchased Professional and Technical Services	24,372		71,265							95,637
Purchased Property Services										-
Cleaning, Repair and Maintenance Services			147,284							147,284
Other Purchased Services	1,338	36,910	41,036							79,284
Contract Services-Transportation (Field Trips)										-
Travel	240		26,639							26,879
Supplies and Materials	4,017		8,020							12,037
Scholarship Awards	-	-	-	-	-	-	-	-	12,350	12,350
Total Support Services	29,967	36,910	334,066	553	18,229	19,775	75	-	12,350	451,925
Total Expenditures	30,542	36,910	532,786	553	24,229	24,161	75	160,822	12,350	822,428
Other Financing Sources (Uses)										
Transfer to Food Service Fund			(22,353)							(22,353)
Transfer from General Fund - Preschool	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	(22,353)	-	-	-	-	-	-	(22,353)
Excess (Deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures	-	-	-	-	-	-	-	(22,487)	(10,756)	(33,243)
Fund Balances, Beginning of Year	-	-	-	-	-	-	-	143,144	249,346	392,490
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,657	\$ 238,590	\$ 359,247

TOWN OF BOONTON SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>EXPENDITURES</b>					
Instruction					
Salaries of Teachers	\$ 670,595	\$ 8,290	\$ 678,885	\$ 678,885	
Other Salaries for Instruction	428,114	(2,629)	425,485	425,485	
Purchased Professional-Educational Services	2,000	-	2,000	-	\$ 2,000
General Supplies	17,500	336	17,836	17,731	105
Total Instruction	1,118,209	5,997	1,124,206	1,122,101	2,105
Support Services					
Salaries of Supervisors of Instruction		22,716	22,716	22,716	
Salaries of Program Directors	103,777	(23,174)	80,603	80,567	\$ 36
Salaries of Other Professional Staff	96,985	(644)	96,341	96,341	
Salaries of Secretarial and Clerical Assistants	39,026	1,327	40,353	40,353	
Other Salaries	51,837	(3,321)	48,516	48,506	10
Salaries of Community Parent Involvement Spec.	5,500		5,500	5,500	
Salaries of Master Teachers	96,725		96,725	96,725	
Personal Services - Employee Benefits	607,797	61,486	669,283	665,780	3,503
Other Purchased Professional Services	3,650	3,384	7,034	7,034	
Cleaning, Repair and Maintenance Services	26,159	(10,053)	16,106	15,104	1,002
Contract Services-Transportation (Field Trips)	4,500	(3,033)	1,467		1,467
Travel	1,400	(700)	700		700
Misellaneous Purchased Services	7,800	(6,588)	1,212	1,169	43
Supplies and Materials	59,360	(47,395)	11,965	11,156	809
Total Support Services	1,104,516	(5,995)	1,098,521	1,090,951	7,570
Total Expenditures	\$ 2,222,725	\$ 2	\$ 2,222,727	\$ 2,213,052	\$ 9,675

Calculation of Budget Carryover

Total 2023-2024 Preschool Education Aid Allocation	\$ 1,800,240
Add:	
Actual PEA Carryover (June 30, 2023)	60,986
Budgeted Transfer from the General Fund 2023-2024	360,048
Total Preschool Education Aid Funds Available for 2023-2024 Budget	2,221,274
Less: 2023-2024 Budgeted Preschool Education Aid (Including Prior Year Budgeted Carryover)	2,222,727
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2024	(1,453)
Add: June 30, 2024 Unexpended Preschool Education Aid	9,675
2023-2024 Carryover - Preschool Education Aid Programs	\$ 8,222
2023-2024 Preschool Education Aid Carryover Budgeted in 2024-25	\$ 56,682

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**CAPITAL PROJECTS FUND**

TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

<u>Issue/Project Title</u>	<u>Appropriation</u>	<u>Interest on Lease</u>	<u>Expenditures to Date</u> <u>Prior Years</u>	<u>Current Year</u>	<u>Cancelled</u>	<u>Unexpended Balance, June 30, 2024</u>
Lease - Buses and Technology Equipment	\$ 340,000	\$ 210	\$ 339,889		\$ 321	
BHS Roof	<u>400,000</u>	<u>-</u>	<u>344,468</u>	<u>-</u>	<u>55,532</u>	<u>-</u>
	<u>\$ 740,000</u>	<u>\$ 210</u>	<u>\$ 684,357</u>	<u>\$ -</u>	<u>\$ 55,853</u>	<u>\$ -</u>

**TOWN OF BOONTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
**SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGETARY BASIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Expenditures and Other Financing Uses**

**Other Financing Uses**

Transfer to General Fund	\$	<u>55,528</u>
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Total Expenditures and Other Financing Uses		<u>55,528</u>
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Excess (Deficiency) of Revenues and Other Financing Sources

Over (Under) Expenditures and Other Financing Uses		(55,528)
--	--	----------

Fund Balance - Beginning of Year		<u>55,528</u>
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Fund Balance - End of Year	\$	<u><u>-</u></u>
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**Recapitulation of Fund Balance**

Restricted for Capital Projects	\$	<u><u>-</u></u>
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**TOWN OF BOONTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS**  
**VARIOUS IMPROVEMENTS**  
**FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Bond Proceeds	\$ 23,581,000	-	\$ 23,581,000	\$ 23,581,325
Total Revenues and Other Financing Sources	<u>23,581,000</u>	<u>-</u>	<u>23,581,000</u>	<u>23,581,325</u>
<b>Expenditures and Other Financing Uses</b>				
Legal Services	28,206		28,206	28,206
Purchased Professional and Technical Services	3,171,969		3,171,969	3,171,969
Other Purchased Services	1,294,768		1,294,768	1,294,768
Operation and Maintenance of Plant Services	5,760		5,760	5,740
Construction Services	<u>19,080,622</u>	<u>-</u>	<u>19,080,622</u>	<u>19,080,642</u>
Total Expenditures and Other Financing Uses	<u>23,581,325</u>	<u>-</u>	<u>23,581,325</u>	<u>23,581,325</u>
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	<u>\$ (325)</u>	<u>\$ -</u>	<u>\$ (325)</u>	<u>\$ -</u>
<b>Additional Project Information:</b>				
Project Numbers:				
High School	#0450-020-07-1000			
John Hill Elementary	#0450-030-07-1000			
Grant Date	3/29/2007			
Bond Authorization Date	2007			
Bonds Authorized	\$ 23,581,000			
Bonds Issued	23,581,000			
Original Authorization Cost	23,581,325			
Additional Authorization Cost	<u>-</u>			
Revised Authorized Cost	<u>23,581,325</u>			
<b>Percentage Increase Over Original</b>				
Authorized Cost	0.00%			
Percentage Completion	100%			
Original Target Completion Date	9/1/2009			
Revised Target Completion Date	9/1/2013			

**TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
BUSES AND TECHNOLOGY  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Lease Purchase Proceeds	\$ 340,000		\$ 340,000	\$ 340,000
Interest on Lease Purchase	210	-	210	210
Total Revenues and Other Financing Sources	340,210	-	340,210	340,210
<b>Expenditures and Other Financing Uses</b>				
Regular Instruction	96,385		96,385	96,385
General Administration	4,270	\$ -	4,270	4,270
Operations and Maintenance of Plant Services	7,426		7,426	7,426
Capital Outlay	231,808	-	231,808	232,129
Total Expenditures and Other Financing Uses	339,889	-	339,889	340,210
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 321	\$ -	\$ 321	\$ -
<b>Additional Project Information:</b>				
Project Numbers:	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorization Cost	200,000			
Additional Authorization Cost	-			
Revised Authorized Cost	200,000			
<b>Percentage Increase Over Original</b>				
Authorized Cost	0.00%			
Percentage Completion	100%			
Original Target Completion Date	12/2020			
Revised Target Completion Date	12/2020			

**TOWN OF BOONTON SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS  
BHS ROOF  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	\$ 400,000	-	\$ 400,000	\$ 400,000
Total Revenues and Other Financing Sources	400,000	-	400,000	400,000
<b>Expenditures and Other Financing Uses</b>				
Capital Outlay	344,468		344,468	400,000
Transfer to General Fund	-	\$ 55,207	55,207	-
Total Expenditures and Other Financing Uses	344,468	55,207	399,675	400,000
Excess (Deficiency) of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	\$ 55,532	\$ (55,207)	\$ 325	\$ -
<b>Additional Project Information:</b>				
Project Numbers:	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorization Cost	400,000			
Additional Authorization Cost	-			
Revised Authorized Cost	400,000			
Percentage Increase Over Original				
Authorized Cost	0.00%			
Percentage Completion	100%			
Original Target Completion Date	2022/23			
Revised Target Completion Date	2022/23			



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## **PROPRIETARY FUNDS**

**EXHIBIT G-1**

**TOWN OF BOONTON SCHOOL DISTRICT  
ENTERPRISE FUNDS - NONMAJOR  
COMBINING STATEMENT OF NET POSITION  
AS OF JUNE 30, 2024**

THIS STATEMENT IS NOT APPLICABLE  
INFORMATION IS PRESENTED ON EXHIBIT B-4

**EXHIBIT G-2**

**COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

THIS STATEMENT IS NOT APPLICABLE  
INFORMATION IS PRESENTED ON EXHIBIT B-5

**EXHIBIT G-3**

**COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

THIS STATEMENT IS NOT APPLICABLE  
INFORMATION IS PRESENTED ON EXHIBIT B-6

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**FIDUCIARY FUNDS**  
**(Not Applicable)**

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## **LONG-TERM DEBT**

**TOWN OF BOONTON SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF BONDS PAYABLE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

<u>Issue</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2023</u>	<u>Redeemed</u>	<u>Balance, June 30, 2024</u>
			<u>Date</u>	<u>Amount</u>				
2014 Refunding Bonds	9/25/14	\$ 9,305,000	1/15/2025	\$ 995,000	5.00%			
			1/15/2026	1,040,000	4.00%			
			1/15/2027	1,080,000	4.00%	\$ 4,060,000	\$ 945,000	\$ 3,115,000
2015 Refunding Bonds	4/14/15	9,475,000	1/15/2028	1,210,000	3.00%			
			1/15/2029	1,245,000	3.00%			
			1/15/2030	1,275,000	4.00%			
			1/15/2031	1,325,000	4.00%			
			1/15/2032	1,375,000	4.00%			
			1/15/2033	1,420,000	4.00%			
			1/15/2034	1,480,000	4.00%	9,330,000	-	9,330,000
						<u>\$ 13,390,000</u>	<u>\$ 945,000</u>	<u>\$ 12,445,000</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL AND OTHER FINANCING AGREEMENTS**

	<b>Original Amount Issued</b>	<b>Date</b>	<b>Balance, July 1, 2023</b>	<b>Issued</b>	<b>Paid</b>	<b>Balance, June 30, 2024</b>
Mobile Devices and Textbooks	\$ 200,000	6/2019	\$ 42,284		\$ 42,284	
Buses and Technology	340,000	6/2020	<u>139,546</u>	<u>-</u>	<u>68,991</u>	<u>\$ 70,555</u>
			<u>\$ 181,830</u>	<u>\$ -</u>	<u>\$ 111,275</u>	<u>\$ 70,555</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>Original Budget</u>	<u>Budget Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES</b>					
Local Sources					
Property Tax Levy	\$ 1,098,075		\$ 1,098,075	\$ 1,098,075	
State Sources					
Debt Service State Aid	<u>377,375</u>	<u>-</u>	<u>377,375</u>	<u>377,375</u>	<u>-</u>
Total Revenues	<u>1,475,450</u>	<u>-</u>	<u>1,475,450</u>	<u>1,475,450</u>	<u>-</u>
<b>EXPENDITURES</b>					
Regular Debt Service					
Redemption of Principal	945,000		945,000	945,000	
Interest and Other Charges	<u>530,450</u>	<u>-</u>	<u>530,450</u>	<u>530,450</u>	<u>-</u>
Total Expenditures	<u>1,475,450</u>	<u>-</u>	<u>1,475,450</u>	<u>1,475,450</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## STATISTICAL SECTION

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

### **Contents**

### **Exhibits**

#### **Financial Trends**

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

J-1 to J-5

#### **Revenue Capacity**

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

J-6 to J-9

#### **Debt Capacity**

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

J-10 to J-13

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

J-14 and J-15

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

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



**TOWN OF BOONTON SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(accrual basis of accounting)*

	2015 (Restated)	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 3,251,092	\$ 4,280,074	\$ 4,885,119	\$ 5,148,477	\$ 4,995,033	\$ 6,340,229	\$ 7,156,254	\$ 8,034,758	\$ 8,670,969	\$ 9,165,142
Restricted	195,572	729	27,946	79,175	246,203	1,092,000	1,551,579	1,033,205	691,112	1,400,349
Unrestricted	(5,354,528)	(5,796,140)	(7,812,844)	(8,291,092)	(8,047,390)	(9,289,283)	(8,735,474)	(6,816,271)	(5,929,628)	(6,625,089)
<b>Total Governmental Activities Net Position</b>	<b>\$ (1,907,864)</b>	<b>\$ (1,515,337)</b>	<b>\$ (2,899,779)</b>	<b>\$ (3,063,440)</b>	<b>\$ (2,806,154)</b>	<b>\$ (1,857,054)</b>	<b>\$ (27,641)</b>	<b>\$ 2,251,692</b>	<b>\$ 3,432,453</b>	<b>\$ 3,940,402</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 42,604	\$ 34,277	\$ 21,873	\$ 111,266	\$ 109,814	\$ 97,164	\$ 117,060	\$ 113,660	\$ 126,391	\$ 149,877
Unrestricted	254,853	39,890	(1,742)	24,488	(21,234)	20,952	6,287	179,350	621,426	493,198
<b>Total Business-Type Activities Net Position</b>	<b>\$ 297,457</b>	<b>\$ 74,167</b>	<b>\$ 20,131</b>	<b>\$ 135,754</b>	<b>\$ 88,580</b>	<b>\$ 118,116</b>	<b>\$ 123,347</b>	<b>\$ 293,010</b>	<b>\$ 747,817</b>	<b>\$ 643,075</b>
<b>District-Wide</b>										
Net Investment in Capital Assets	\$ 3,293,696	\$ 4,314,351	\$ 4,906,992	\$ 5,259,743	\$ 5,104,847	\$ 6,437,393	\$ 7,273,314	\$ 8,148,418	\$ 8,797,360	\$ 9,315,019
Restricted	195,572	729	27,946	79,175	246,203	1,092,000	1,551,579	1,033,205	691,112	1,400,349
Unrestricted	(5,099,675)	(5,756,250)	(7,814,586)	(8,266,604)	(8,068,624)	(9,268,331)	(8,729,187)	(6,636,921)	(5,308,202)	(6,131,891)
<b>Total District Net Position</b>	<b>\$ (1,610,407)</b>	<b>\$ (1,441,170)</b>	<b>\$ (2,879,648)</b>	<b>\$ (2,927,686)</b>	<b>\$ (2,717,574)</b>	<b>\$ (1,738,938)</b>	<b>\$ 95,706</b>	<b>\$ 2,544,702</b>	<b>\$ 4,180,270</b>	<b>\$ 4,583,477</b>

Source: District Financial Statements

**TOWN OF BOONTON SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
(Unaudited)  
*(accrual basis of accounting)*

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental Activities										
Instruction										
Regular	\$ 12,932,692	\$ 13,919,626	\$ 15,323,333	\$ 15,328,351	\$ 14,140,403	\$ 14,666,546	\$ 16,632,391	\$ 15,271,596	\$ 15,307,619	\$ 15,563,027
Special Education	6,387,540	6,022,009	6,620,997	6,513,612	5,476,555	5,997,015	6,652,235	6,981,646	7,665,541	8,003,805
Other Instruction	198,476	251,937	512,679	928,254	902,477	946,862	1,089,880	1,082,685	1,030,930	1,051,171
School Sponsored Co-Curricular Activities	1,260,484	1,138,102	1,161,382	1,488,731	1,318,873	1,177,195	1,276,485	1,263,474	1,218,851	1,273,583
Support Services:										
Student & Instruction Related Services	4,854,977	5,091,560	5,836,059	6,840,779	7,294,308	7,472,422	8,651,433	8,279,488	8,217,227	8,235,473
General Administration Services	719,094	778,712	721,474	677,356	830,173	760,984	833,099	712,124	717,461	852,059
School Administrative Services	1,139,252	1,273,827	1,639,793	1,620,581	1,582,687	1,577,390	1,632,105	1,393,436	1,285,799	1,328,363
Central Services	565,098	733,676	788,336	977,181	992,346	708,064	717,126	652,001	638,400	641,736
Plant Operations and Maintenance	2,478,944	2,608,249	3,189,183	3,204,216	3,181,743	2,976,314	3,180,040	3,090,406	3,083,307	3,335,597
Pupil Transportation	636,330	480,238	563,831	500,522	576,919	751,504	777,435	930,130	1,295,414	1,351,676
Unallocated Benefits										
Interest On Long-Term Debt	992,232	756,194	722,693	704,792	708,046	667,645	644,197	599,211	557,393	513,737
Total Governmental Activities Expenses	<u>32,165,119</u>	<u>33,054,130</u>	<u>37,079,760</u>	<u>38,784,375</u>	<u>37,004,530</u>	<u>37,701,941</u>	<u>42,086,426</u>	<u>40,256,197</u>	<u>41,017,942</u>	<u>42,150,227</u>
Business-Type Activities:										
Food Service	516,997	565,946	604,478	602,316	596,008	508,531	314,091	762,891	754,009	746,221
Bridges to Learning	188,429	608,396	492,315	212,316	471,066	388,071	137,073	584,337	846,401	820,904
Academy School										
Total Business-Type Activities Expense	<u>705,426</u>	<u>1,174,342</u>	<u>1,096,793</u>	<u>814,632</u>	<u>1,067,074</u>	<u>896,602</u>	<u>451,164</u>	<u>1,347,228</u>	<u>1,600,410</u>	<u>1,567,125</u>
Total District Expenses	<u>\$ 32,870,545</u>	<u>\$ 34,228,472</u>	<u>\$ 38,176,553</u>	<u>\$ 39,599,007</u>	<u>\$ 38,071,604</u>	<u>\$ 38,598,543</u>	<u>\$ 42,537,590</u>	<u>\$ 41,603,425</u>	<u>\$ 42,618,352</u>	<u>\$ 43,717,352</u>
<b>Program Revenues</b>										
Governmental Activities:										
Charges For Services:										
Tuition	\$ 6,454,946	\$ 6,136,381	\$ 6,118,081	\$ 6,933,030	\$ 5,145,557	\$ 5,720,412	\$ 6,181,636	\$ 6,640,115	\$ 6,154,398	\$ 5,226,058
School Sponsored Activities								99,155	147,424	138,335
Transportation							40,832		114,445	1,424
Operating Grants And Contributions	6,418,449	7,531,561	9,774,107	11,022,395	10,351,842	10,543,567	14,617,038	12,055,234	11,272,274	11,347,689
Capital Grants and Contributions		25,644	14,572	61,750	197,685	36,508	15,056	57,689	-	-
Total Governmental Activities Program Revenues	<u>12,873,395</u>	<u>13,693,586</u>	<u>15,906,760</u>	<u>18,017,175</u>	<u>15,695,084</u>	<u>16,300,487</u>	<u>20,854,562</u>	<u>18,852,193</u>	<u>17,688,541</u>	<u>16,713,506</u>
Business-Type Activities:										
Charges For Services										
Food Service	\$ 275,111	\$ 295,172	\$ 328,939	\$ 337,605	\$ 318,589	\$ 242,576	\$ 9,327	\$ 95,928	\$ 421,409	\$ 319,956
Bridges to Learning	321,343	392,877	434,997	316,576	445,392	437,020	94,764	511,792	679,936	744,940
Operating Grants And Contributions	240,813	262,526	278,597	275,829	255,855	246,480	352,244	909,003	918,858	373,510
Total Business-Type Activities Program Revenues	<u>837,267</u>	<u>950,575</u>	<u>1,042,533</u>	<u>930,010</u>	<u>1,019,836</u>	<u>926,076</u>	<u>456,335</u>	<u>1,516,723</u>	<u>2,020,203</u>	<u>1,438,406</u>
Total District Program Revenues	<u>\$ 13,710,662</u>	<u>\$ 14,644,161</u>	<u>\$ 16,949,293</u>	<u>\$ 18,947,185</u>	<u>\$ 16,714,920</u>	<u>\$ 17,226,563</u>	<u>\$ 21,310,897</u>	<u>\$ 20,368,916</u>	<u>\$ 19,708,744</u>	<u>\$ 18,151,912</u>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (19,291,724)	\$ (19,360,544)	\$ (21,173,000)	\$ (20,767,200)	\$ (21,309,446)	\$ (21,401,454)	\$ (21,231,864)	\$ (21,404,004)	\$ (23,329,401)	\$ (25,436,721)
Business-Type Activities	131,841	(223,767)	(54,260)	115,378	(47,238)	29,474	5,171	169,495	419,793	(128,719)
Total District-Wide Net Expense	<u>\$ (19,159,883)</u>	<u>\$ (19,584,311)</u>	<u>\$ (21,227,260)</u>	<u>\$ (20,651,822)</u>	<u>\$ (21,356,684)</u>	<u>\$ (21,371,980)</u>	<u>\$ (21,226,693)</u>	<u>\$ (21,234,509)</u>	<u>\$ (22,909,608)</u>	<u>\$ (25,565,440)</u>
<b>General Revenues And Other Changes In Net Assets</b>										
Governmental Activities:										
Property Taxes Levied For General Purposes	\$ 16,999,501	\$ 17,288,395	\$ 17,807,046	\$ 18,428,513	\$ 19,164,365	\$ 19,738,335	\$ 20,133,102	\$ 20,535,765	\$ 20,946,479	\$ 21,829,868
Taxes Levied For Debt Service	1,198,844	1,176,377	1,081,846	1,087,216	1,106,783	1,104,997	1,106,038	1,101,387	1,100,011	1,098,075
Federal and State Aid - Unrestricted	504,439	522,765	514,522	649,103	727,498	1,027,831	1,004,628	1,688,350	2,096,167	2,508,835
State Aid - Restricted for Debt Service Principal	192,993	220,714	190,708	200,779	207,173	214,846	223,798	228,914	235,307	241,702
Investment Earnings	63	3,168	2,201	3,910	5,610	7,209	7,543	5,446	5,247	56,774
Miscellaneous Income	343,322	541,652	192,235	234,018	355,303	257,336	146,571	123,475	126,951	231,769
Total Governmental Activities	<u>19,239,162</u>	<u>19,753,071</u>	<u>19,788,558</u>	<u>20,603,539</u>	<u>21,566,732</u>	<u>22,350,554</u>	<u>22,621,680</u>	<u>23,683,337</u>	<u>24,510,162</u>	<u>25,944,670</u>
Business-Type Activities:										
Investment Earnings	325	477	224	245	64	62	60	168	377	1,624
Miscellaneous Income									34,637	-
Total Business-Type Activities	<u>325</u>	<u>477</u>	<u>224</u>	<u>245</u>	<u>64</u>	<u>62</u>	<u>60</u>	<u>168</u>	<u>12,661</u>	<u>23,977</u>
Total District-Wide	<u>\$ 19,239,487</u>	<u>\$ 19,753,548</u>	<u>\$ 19,788,782</u>	<u>\$ 20,603,784</u>	<u>\$ 21,566,796</u>	<u>\$ 22,350,616</u>	<u>\$ 22,621,740</u>	<u>\$ 23,683,505</u>	<u>\$ 24,522,823</u>	<u>\$ 25,968,647</u>
<b>Change In Net Position</b>										
Governmental Activities	\$ (52,562)	\$ 392,527	\$ (1,384,442)	\$ (163,661)	\$ 257,286	\$ 949,100	\$ 1,389,816	\$ 2,279,333	\$ 1,180,761	\$ 507,949
Business-Type Activities	132,166	(223,290)	(54,036)	115,623	(47,174)	29,536	5,231	169,663	432,454	(104,742)
Total District	<u>\$ 79,604</u>	<u>\$ 169,237</u>	<u>\$ (1,438,478)</u>	<u>\$ (48,038)</u>	<u>\$ 210,112</u>	<u>\$ 978,636</u>	<u>\$ 1,395,047</u>	<u>\$ 2,448,996</u>	<u>\$ 1,613,215</u>	<u>\$ 403,207</u>

Source: District Financial Statements

**TOWN OF BOONTON SCHOOL DISTRICT**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**  
*(modified accrual basis of accounting)*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Restricted	\$ 373,271	\$ 729	\$ 730	\$ 732	\$ 9,462	\$ 1,092,000	\$ 1,169,107	\$ 258,272	\$ 543,415	\$ 1,728,526
Committed					23,599		-	33,230	22,230	23,677
Assigned	157,260	238,887	116,911	418,662	612,914	247,410	39,538	916,527	1,295,021	207,257
Unassigned	238,161	276,503	(197,946)	(292,149)	(635,878)	(315,503)	449,628	569,756	19,217	(304,667)
Total General Fund	<u>\$ 768,692</u>	<u>\$ 516,119</u>	<u>\$ (80,305)</u>	<u>\$ 127,245</u>	<u>\$ 10,097</u>	<u>\$ 1,023,907</u>	<u>\$ 1,658,273</u>	<u>\$ 1,777,785</u>	<u>\$ 1,879,883</u>	<u>\$ 1,654,793</u>
All Other Governmental Funds										
Restricted	\$ 96,295	\$ 123,511	\$ (427,785)	\$ 143,658	\$ 284,436	\$ 379,081	\$ 409,408	\$ 775,274	\$ 448,018	\$ 359,247
Unassigned	-	-	-	-	(47,567)	(107,039)	(134,910)	(101,370)	(123,237)	(171,802)
Total All Other Governmental Funds	<u>\$ 96,295</u>	<u>\$ 123,511</u>	<u>\$ (427,785)</u>	<u>\$ 143,658</u>	<u>\$ 236,869</u>	<u>\$ 272,042</u>	<u>\$ 274,498</u>	<u>\$ 673,904</u>	<u>\$ 324,781</u>	<u>\$ 187,445</u>
Total Governmental Funds										
Restricted	\$ 469,566	\$ 124,240	\$ (427,055)	\$ 144,390	\$ 293,898	\$ 1,471,081	\$ 1,578,515	\$ 1,033,546	\$ 991,433	\$ 2,087,773
Assigned	157,260	238,887	116,911	418,662	612,914	247,410	39,538	916,527	1,295,021	207,257
Committed					23,599	-	-	33,230	22,230	23,677
Unassigned	238,161	276,503	(197,946)	(292,149)	(683,445)	(422,542)	314,718	468,386	(104,020)	(476,469)
Total Governmental Funds	<u>\$ 864,987</u>	<u>\$ 639,630</u>	<u>\$ (508,090)</u>	<u>\$ 270,903</u>	<u>\$ 246,966</u>	<u>\$ 1,295,949</u>	<u>\$ 1,932,771</u>	<u>\$ 2,451,689</u>	<u>\$ 2,204,664</u>	<u>\$ 1,842,238</u>

Source: District Financial Statements

**TOWN OF BOONTON SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)  
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Property Tax Levy	\$ 18,198,345	\$ 18,464,772	\$ 18,888,892	\$ 19,515,729	\$ 20,271,148	\$ 20,843,332	\$ 21,239,140	\$ 21,637,152	\$ 22,046,490	\$ 22,927,943
Tuition Charges	6,454,946	6,136,381	6,118,081	6,933,030	5,145,557	5,720,412	6,181,636	6,640,115	6,154,398	5,226,058
Transportation							40,832	-	114,445	1,424
Interest Earnings	63	3,168	2,201	3,910	5,610	7,209	7,543	5,446	5,247	56,774
Miscellaneous	343,322	541,652	193,593	243,313	388,461	270,266	158,976	236,666	315,046	385,717
State Sources	3,896,230	4,502,206	4,855,080	5,590,402	7,315,763	8,796,427	10,892,400	12,899,674	13,856,465	15,334,654
Federal Sources	636,143	731,224	675,896	718,437	832,203	783,181	757,271	1,414,940	1,752,428	1,744,407
<b>Total Revenue</b>	<b>29,529,049</b>	<b>30,379,403</b>	<b>30,733,743</b>	<b>33,004,821</b>	<b>33,958,742</b>	<b>36,420,827</b>	<b>39,277,798</b>	<b>42,833,993</b>	<b>44,244,519</b>	<b>45,676,977</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	11,055,583	11,726,395	11,945,778	12,372,690	12,494,192	13,323,269	14,692,995	15,590,553	16,360,479	17,088,831
Special Education Instruction	5,890,594	5,481,312	5,811,445	5,562,691	5,017,365	5,638,048	6,008,640	7,184,446	8,150,898	8,501,267
Other Instruction	175,010	212,762	396,983	732,982	799,720	861,592	943,342	1,119,380	1,130,765	1,189,609
School Sponsored Co-Curricular Activ.	1,214,747	1,091,241	1,033,061	1,252,174	1,220,522	1,119,413	1,157,411	1,320,615	1,325,393	1,322,796
Support Services										
Student & Instruction Related Services	4,522,916	4,673,111	4,960,014	5,519,763	6,575,960	6,974,770	7,688,353	8,502,054	8,795,388	8,985,945
General Administration Services	647,455	690,160	614,649	601,318	792,834	742,052	783,623	737,989	759,954	871,167
School Administrative Services	969,786	1,070,429	1,194,220	1,188,012	1,281,096	1,333,725	1,425,056	1,438,950	1,401,276	1,450,964
Central Services	560,947	722,784	729,019	841,794	917,184	655,318	630,103	671,539	691,607	715,183
Plant Operations And Maintenance	2,074,370	2,180,225	2,303,878	2,127,589	2,201,836	2,046,585	2,131,744	2,266,889	2,276,897	2,402,383
Pupil Transportation	585,328	427,348	537,720	464,085	552,374	712,506	729,256	912,891	1,289,499	1,324,799
Unallocated Expenditures										
Capital Outlay	254,048	546,254	639,079	1,084,769	1,240,208	197,684	710,016	407,731	444,793	572,643
Debt Service:										
Principal	949,132	1,176,289	1,065,929	1,383,040	1,343,434	1,412,273	1,523,523	1,547,007	1,292,872	1,056,275
Interest And Other Charges	1,155,340	702,940	747,379	724,921	730,622	694,609	656,511	615,031	571,723	535,188
<b>Total Expenditures</b>	<b>30,055,256</b>	<b>30,701,250</b>	<b>31,979,154</b>	<b>33,855,828</b>	<b>35,167,347</b>	<b>35,711,844</b>	<b>39,080,573</b>	<b>42,315,075</b>	<b>44,491,544</b>	<b>46,017,050</b>
<b>Excess (Deficiency) Of Revenues</b>										
Over (Under) Expenditures	(526,207)	(321,847)	(1,245,411)	(851,007)	(1,208,605)	708,983	197,225	518,918	(247,025)	(340,073)
<b>Other Financing Sources (Uses)</b>										
Bond Proceeds										
Refunding Bond Proceeds	18,780,000									
Premium on Refunding Bonds Issued	1,696,069									
Payment to Refunded Bond Escrow Agent	(20,181,479)									
Capital Lease Proceeds	174,388	96,490	97,691	1,630,000	1,184,668	340,000	-	-	-	-
Transfers In	-	245,002	5	177	254,302	198,971	90,442	817,180	372,032	415,576
Transfers Out	-	(245,002)	(5)	(177)	(254,302)	(198,971)	(90,442)	(817,180)	(372,032)	(437,929)
<b>Total Other Financing Sources (Uses)</b>	<b>468,978</b>	<b>96,490</b>	<b>97,691</b>	<b>1,630,000</b>	<b>1,184,668</b>	<b>340,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(22,353)</b>
<b>Net Change In Fund Balances</b>	<b>\$ (57,229)</b>	<b>\$ (225,357)</b>	<b>\$ (1,147,720)</b>	<b>\$ 778,993</b>	<b>\$ (23,937)</b>	<b>\$ 1,048,983</b>	<b>\$ 197,225</b>	<b>\$ 518,918</b>	<b>\$ (247,025)</b>	<b>\$ (362,426)</b>
<b>Debt Service As A Percentage Of</b>										
Noncapital Expenditures	7.06%	6.23%	5.79%	6.43%	6.11%	5.93%	5.68%	5.16%	4.23%	3.50%

\* Noncapital expenditures are total expenditures less capital outlay.

Source: District Financial Statements

**TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
LAST TEN YEARS  
(Unaudited)**

<b>Fiscal Year Ended June 30,</b>	<b>Interest on Investments</b>	<b>Tuition</b>	<b>Rentals</b>	<b>Prior Year Refunds</b>	<b>Cancelled Prior Year Accounts Payable</b>	<b>E-Rate</b>	<b>Private Contribution</b>	<b>Transportation</b>	<b>Other</b>	<b>Total</b>
2015	\$ 63	\$ 6,454,946	\$ 175,837	\$ 45,685					\$ 121,800	\$ 6,798,331
2016	3,166	6,136,381	225,382	24,259	\$ 142,648				149,363	6,681,199
2017	2,196	6,118,081	182,456						9,779	6,312,512
2018	3,733	6,933,030	155,468				\$ 54,827		23,723	7,170,781
2019	4,469	5,145,557	230,000			\$ 94,179			31,124	5,505,329
2020	6,753	5,720,412	160,000	74,065					23,271	5,984,501
2021	7,355	6,181,636		58,480				\$ 40,832	88,091	6,376,394
2022	5,446	6,640,115	4,328	84,028					35,119	6,769,036
2023	5,247	6,154,398	53,952	12,400				114,445	60,599	6,401,041
2024	56,774	5,226,058	135,108	40,530				1,424	56,131	5,516,025

Source: District Financial Records

**TOWN OF BOONTON SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE TAX PROPERTY**  
**LAST TEN YEARS**  
**(Unaudited)**

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized Value)	Total Direct School Tax Rate <sup>a</sup>
2015	\$ 6,448,600	\$ 855,815,600	\$ 252,500	\$ 2,200	\$ 159,387,000	\$ 63,665,300	\$ 19,213,200	\$ 1,104,784,400	\$ 100	\$ 1,104,784,500	\$ 1,152,309,286	\$ 1.652
2016	6,347,700	856,010,200	252,500	2,200	159,532,600	63,665,300	20,512,200	1,106,322,700	100	1,106,322,800	1,129,427,791	1.685
2017	6,535,800	856,830,700	252,500	2,200	150,673,900	63,665,300	28,032,200	1,105,992,600	100	1,105,992,700	1,156,775,024	1.730
2018	6,535,800	857,360,700	252,500	2,000	151,249,100	63,594,600	19,532,200	1,098,526,900		1,098,526,900	1,160,624,884	1.840
2019	6,897,500	858,197,500	252,500	2,000	151,126,100	62,710,100	19,532,200	1,098,717,900		1,098,717,900	1,158,862,884	1.877
2020	6,920,800	859,969,900	252,500	2,000	151,491,100	61,593,200	22,112,200	1,102,341,700		1,102,341,700	1,210,417,758	1.832
2021	7,515,500	859,890,500	252,500	1,900	147,128,400	62,166,100	22,112,200	1,099,067,100		1,099,067,100	1,203,085,777	1.946
2022	7,138,900	861,394,300	252,500	1,900	146,192,500	62,166,100	24,105,900	1,101,252,100		1,101,252,100	1,302,924,929	1.978
2023	6,605,300	861,946,300	252,500	1,900	145,365,900	62,166,100	24,105,900	1,100,443,900		1,100,443,900	1,438,331,635	2.038
2024	6,920,700	860,816,100	252,500	2,100	145,627,700	62,772,100	24,105,900	1,100,497,100		1,100,497,100	1,535,126,582	2.099

Source: County Abstract of Ratables

<sup>a</sup> Tax rates are per \$100

**EXHIBIT J-7**

**TOWN OF BOONTON SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(Unaudited)  
(rate per \$100 of assessed value)**

Year Ended <u>December 31,</u>	Total Direct School Rate	<u>Overlapping Rates</u>		Total Direct and Overlapping Tax Rate
		<u>Town of Boonton</u>	<u>Morris County</u>	
2015	\$ 1.652	\$ 0.792	\$ 0.262	\$ 2.706
2016	1.685	0.807	0.260	2.752
2017	1.730	0.830	0.266	2.826
2018	1.840	0.833	0.276	2.949
2019	1.877	0.846	0.280	3.003
2020	1.832	0.871	0.287	2.990
2021	1.946	0.888	0.285	3.119
2022	1.978	0.902	0.304	3.184
2023	2.038	0.919	0.334	3.291
2024	2.099	0.937	0.344	3.380

Source: Municipal Tax Assessor

**TOWN OF BOONTON SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

2024			2015		
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value
Boonton Investors, LLC	\$ 21,955,300	1.99%	Boonton Investors, Inc.	\$ 25,091,800	2.27%
UB Boonton 1, LLC	13,795,600	1.25%	BTS Boonton, LLC	13,991,400	1.27%
Deer Hill Village, Inc.	10,093,300	0.92%	Deer Hill Village, Inc.	10,371,900	0.94%
JB Dels 19, LLC	8,367,200	0.76%	JCT Associates Et Al	9,994,000	0.91%
Apartments at Cherry Hill, LLC	5,400,000	0.49%	Princeton Meadows Holdings, LLC	7,742,200	0.70%
MCP IV Fulton LLC	5,013,200	0.46%	Daco	5,013,200	0.45%
Monroe St. Holdings, LLC	4,789,300	0.43%	Apts. At Cherry Hill	4,781,000	0.43%
91 Fulton LLC	4,747,400	0.43%	Kapalua, Inc.	4,747,400	0.43%
Fulton Street Associates	4,613,300	0.42%	Erasteel, Inc.	4,481,600	0.41%
Supor Properties Boonton, LLC	4,481,600	0.41%	Sabro Realty, LLC	3,500,000	0.32%
	<u>\$ 83,256,200</u>	<u>7.56%</u>		<u>\$ 89,714,500</u>	<u>8.13%</u>

Source: Municipal Tax Assessor



**EXHIBIT J-9**

**TOWN OF BOONTON SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 18,198,345	\$ 18,198,345	100.00%	N/A
2016	18,464,772	18,464,772	100.00%	N/A
2017	18,888,892	18,888,892	100.00%	N/A
2018	19,515,729	19,515,729	100.00%	N/A
2019	20,271,148	20,271,148	100.00%	N/A
2020	20,843,332	21,239,140	101.90%	N/A
2021	21,239,140	21,239,140	100.00%	N/A
2022	21,637,152	21,637,152	100.00%	N/A
2023	22,046,490	22,046,490	100.00%	N/A
2024	22,927,943	22,927,943	100.00%	N/A

Source: School District's Financial Statements

## EXHIBIT J-10

**TOWN OF BOONTON SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year Ended June 30,	Governmental Activities		Total District	Population	Per Capita
	General Obligation Bonds	Capital Leases			
2015	\$ 20,140,000	\$ 827,348	\$ 20,967,348	8,341	2,514
2016	19,270,000	617,549	19,887,549	8,303	2,395
2017	18,515,000	404,311	18,919,311	8,255	2,292
2018	17,730,000	1,436,271	19,166,271	8,191	2,340
2019	16,920,000	2,087,505	19,007,505	8,911	2,133
2020	16,080,000	1,855,232	17,935,232	8,878	2,020
2021	15,205,000	1,206,709	16,411,709	8,802	1,865
2022	14,310,000	554,702	14,864,702	8,815	1,686
2023	13,390,000	181,830	13,571,830	8,821	1,539
2024	12,445,000	70,555	12,515,555	8,821 *	1,419

Source: District Records

\* - Estimate

**TOWN OF BOONTON SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

General Bonded Debt Outstanding

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
2015	\$ 20,140,000		\$ 20,140,000	1.82%	\$ 2,415
2016	19,270,000		19,270,000	1.74%	2,321
2017	18,515,000		18,515,000	1.67%	2,243
2018	17,730,000		17,730,000	1.61%	2,165
2019	16,920,000		16,920,000	1.54%	1,899
2020	16,080,000		16,080,000	1.46%	1,811
2021	15,205,000		15,205,000	1.38%	1,727
2022	14,310,000		14,310,000	1.30%	1,623
2023	13,390,000		13,390,000	1.22%	1,518
2024	12,445,000		12,445,000	1.13%	1,411

Source: District Records

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

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

**b** See Exhibit J-14 for population data

**TOWN OF BOONTON SCHOOL DISTRICT  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2023  
(UNAUDITED)**

	<u>Gross Debt</u>
Municipal Debt (1)	
Town of Boonton	\$ 22,704,386
Town of Boonton School District	<u>13,390,000</u>
	36,094,386
Overlapping Debt Apportioned to the Municipality	
County of Morris (2)	<u>5,807,070</u>
Total Direct and Overlapping Debt	<u><u>\$ 41,901,456</u></u>

Source:

- (1) Town of Boonton's 2023 Annual Debt Statement
  
- (2) The debt for this entity was apportioned to the Town of Boonton School District by dividing the municipality's 2023 equalized value by the total 2023 equalized value for Morris County.

**TOWN OF BOONTON SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

Equalized valuation basis

2023	\$ 1,522,262,969
2022	1,427,416,850
2021	1,289,077,058
	<u>\$ 4,238,756,877</u>

\$ 1,412,918,959

Debt limit (4 % of average equalization value)  
Total Net Debt Applicable to Limit  
Legal debt margin

\$ 56,516,758  
(12,445,000)  
\$ 44,071,758

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Debt limit	\$ 44,345,193	\$ 44,529,596	\$ 45,487,326	\$ 45,720,341	\$ 46,295,918	\$ 46,803,221	\$ 47,315,336	\$ 49,054,211	\$ 52,150,863	\$ 56,516,758
Total net debt applicable to limit	<u>20,140,325</u>	<u>19,270,325</u>	<u>18,515,325</u>	<u>17,730,325</u>	<u>16,920,325</u>	<u>16,080,325</u>	<u>15,205,325</u>	<u>(14,310,325)</u>	<u>(13,390,325)</u>	<u>(12,445,000)</u>
Legal debt margin	<u>\$ 24,204,868</u>	<u>\$ 25,259,271</u>	<u>\$ 26,972,001</u>	<u>\$ 27,990,016</u>	<u>\$ 29,375,593</u>	<u>\$ 30,722,896</u>	<u>\$ 32,110,011</u>	<u>\$ 34,743,886</u>	<u>\$ 38,760,538</u>	<u>\$ 44,071,758</u>
Total net debt applicable to the limit as a percentage of debt limit	45.42%	43.28%	40.70%	38.78%	36.55%	34.36%	32.14%	29.17%	-25.68%	-22.02%

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

**TOWN OF BOONTON SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Year Ended December 31,</u>	<u>Population</u>	<u>County Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2015	8,341	\$ 88,298	4.9%
2016	8,303	91,252	4.2%
2017	8,255	93,544	4.1%
2018	8,191	97,244	3.6%
2019	8,911	99,140	3.1%
2020	8,878	102,227	8.3%
2021	8,802	107,767	5.3%
2022	8,815	111,597	2.9%
2023	8,821	N/A	3.9%
2024	8,821 (E)	N/A	N/A

**Source:**

United States Bureau of Census, Population Division estimates

Revisions to historical data, per capita income: US Bureau of Economic Analysis

E - Estimate

N/A - Not Available

**TOWN OF BOONTON SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

	2024		2015	
		% of Total Municipal Employment		% of Total Municipal Employment
Employer	Employees		Employees	

INFORMATION NOT AVAILABLE

**TOWN OF BOONTON SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<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	92.30	91.00	94.00	111.00	108.00	116.30	117.70	116.00	113.30	118.00
Special education	45.00	55.00	58.00	58.00	75.00	60.80	57.20	66.60	71.90	65.00
Support Services:										
Student & instruction related service:	38.75	44.60	41.00	36.00	47.00	53.90	56.90	34.50	29.90	45.00
General administrative services	3.00	3.00	3.00	3.00	2.00	2.00	2.00	6.00	6.00	6.00
School administrative services	8.15	8.00	8.00	8.00	9.00	9.80	10.30	13.00	14.00	14.00
Business administrative services	4.50	4.10	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00
Plant operations and maintenance	16.00	18.00	16.00	18.00	21.00	19.00	19.00	18.00	18.00	18.00
Lunchroom/Playground Aides	1.20	4.00	4.00	6.00	2.00	5.70	7.00	6.00	8.00	9.00
Pupil Transportation	1.00	1.00	1.00	2.00	1.00	1.00	3.00	4.00	3.00	2.00
Total	<u>209.90</u>	<u>228.70</u>	<u>229.00</u>	<u>246.00</u>	<u>269.00</u>	<u>272.50</u>	<u>277.10</u>	<u>269.10</u>	<u>269.10</u>	<u>282.00</u>

N/A - Not Available

Source: District Records



**TOWN OF BOONTON SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Enrollment a	Operating Expenditures b	Cost Per Pupil c	Percentage Change	Teaching Staff	Pupil/Teacher Ratio			Senior High School	Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School						
2015	1,303	\$ 27,696,736	\$ 21,256	3.60%	133	1:12	1:09		1:10	1,308	1,251	1.16%	95.64%
2016	1,303	28,275,767	21,701	2.09%	116	1:12	1:09		1:10	1,353	1,251	3.44%	92.46%
2017	1,405	29,526,767	21,015	-3.16%	116	1:12	1:09		1:10	1,404	1,251	3.77%	89.10%
2018	1,443	30,663,098	21,250	1.11%	169	1:12	1:09		1:10	1,408	1,346	0.28%	95.60%
2019	1,373	31,853,083	20,263	-4.64%	183	1:10	1:08		1:09	1,410	1,344	0.14%	95.32%
2020	1,430	33,407,278	23,362	15.29%	177	1:08	1:08		1:09	1,438	1,389	1.99%	96.59%
2021	1,461	36,190,523	24,771	6.03%	175	1:08	1:09		1:09	1,419	1,375	-1.32%	96.90%
2022	1,477	39,745,306	26,909	8.63%	183	1:07	1:07		1:10	1,446	1,342	1.90%	92.81%
2023	1,511	42,182,156	27,917	3.74%	185	1:08	1:07		1:09	1,484	1,378	2.63%	92.86%
2024	1,511	43,852,944	29,022	3.96%	184	1:08	1:09		1:08	1,503	1,402	1.28%	93.28%

**Source:** District records

**Note:**

- a Enrollment based on annual October district count
- b Operating expenditures equal total expenditures less debt service and capital outlay
- c Cost per pupil represents operating expenditures divided by enrollment

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b><u>District Building</u></b>										
School Street School (Grades K-3)										
Square Feet	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000
Capacity (Students)	299	299	299	299	299	299	262	262	299	299
Enrollment	122	122	141	141	273	277	277	274	304	305
John Hill School, Including Annex Building (Grades 4-8)										
Square Feet	90,076	90,076	90,076	90,076	90,076	90,076	90,076	90,076	90,076	90,076
Capacity (Students)	800	800	800	800	800	800	800	800	800	800
Enrollment	595	595	645	645	476	538	537	510	539	553
Boonton High School (Grades 9-12)										
Square Feet	111,741	111,741	111,741	111,741	111,741	111,741	111,741	111,741	111,741	111,741
Capacity (Students)	501	501	501	501	501	501	501	501	501	501
Enrollment	607	607	618	618	624	631	620	661	664	659
Administration Building										
Square Feet	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120
Administration Annex Building										
Square Feet	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222	1,222
Child Study Team										
Square Feet	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299	1,299
Maintenance/Transportation Building										
Square Feet	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995	11,995
Number of Schools at June 30, 2024										
Elementary = 1										
Middle School = 1										
High School = 1										

Source: District records

TOWN OF BOONTON SCHOOL DISTRICT  
GENERAL FUND  
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>School Facilities</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Boonton High School	\$ 101,934	\$ 74,464	\$ 192,268	\$ 191,662	\$ 31,753	\$ 20,069	\$ 62,946	\$ 30,645	\$ 22,437	\$ 25,593
John Hill School	119,956	91,256	94,976	95,164	37,916	21,523	21,903	21,586	22,102	25,210
School Street School	94,946	13,867	52,281	65,455	53,901	6,421	16,323	24,335	12,496	14,253
Other Facilities	48,299	263,638	-	-	261,758	249,574	245,108	263,902	248,557	283,515
Total School Facilities	<u>\$ 365,135</u>	<u>\$ 443,225</u>	<u>\$ 339,525</u>	<u>\$ 352,281</u>	<u>\$ 385,328</u>	<u>\$ 297,587</u>	<u>\$ 346,280</u>	<u>\$ 340,468</u>	<u>\$ 305,592</u>	<u>\$ 348,571</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2024  
(Unaudited)**

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
New Jersey Schools Insurance Group		
Section I - Property:		
Real and Personal Property	\$ 350,000,000	\$ 5,000
Flood Zone - All Other	75,000,000	500,000
Earthquake	50,000,000	5,000
Extra expense	50,000,000	5,000
Business Income / Tuition	1,000,000	5,000
Loss of Rents	25,000	5,000
Valuable Paper and Records	10,000,000	5,000
Limited Builders Basic	10,000,000	5,000
Demolition/Incr. Cost of Construction	25,000,000	5,000
Section II - General Liability:		
Bodily injury and property damage	31,000,000	
Sexual abuse annual NJSIG aggregate	27,000,000	
Section III - School Board Legal Liability Policy:		
Aggregate limit of liability	31,000,000	10,000
Section IV - Crime:		
Public Employee Dishonesty with Faithful Performance	250,000	1,000
Forgery or Alteration	250,000	1,000
Computer Fraud	500,000	1,000
Money Orders & Counterfeit Paper Currency	50,000	1,000
Theft, Disappearance and Destruction-Loss of Money & Securities on or off premises	50,000	1,000
Workers Compensation:		
Section A	Statutory	
Section B - Bodily Injury by Accident	3,000,000	
Bodily Injury by Disease - each employee	3,000,000	
Bodily Injury by Disease - policy aggregate	3,000,000	

**TOWN OF BOONTON SCHOOL DISTRICT  
INSURANCE SCHEDULE  
AS OF JUNE 30, 2024  
(Unaudited)**

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Automobile:		
Bodily injury and property	\$31,000,000	
Personal injury protection	250,000	
Uninsured/underinsured - Private Passenger Autos	1,000,000	
Uninsured/underinsured - All Other Vehicles		
Bodily Injury per occurrence	15,000	
Bodily Injury per Accident	30,000	
Property Damage per Accident	5,000	
Comprehensive and collision	ACV	1,000
Environmental Liability:		
Policy aggregate limit of liability-primary	2,000,000	
Each Incident	1,000,000	50,000
Student Accident:		
AD&D - Base (Arch)	500,000	
AD&D - Catastrophic (US Fire)	500,000	
Fidelity Bonds		
Business Administrator	250,000	
Treasurer	250,000	
(All Bonds are written through Hanover Insurance Company)		

## **SINGLE AUDIT SECTION**



# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-1

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
PAUL J. LERCH, CPA, RMA, PSA  
JULIUS B. CONSONI, CPA, PSA  
ANDREW D. PARENTE, CPA, RMA, PSA  
ELIZABETH A. SHICK, CPA, RMA, PSA  
ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

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

### INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements 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 and each major fund of the Town of Boonton School District as of and for the fiscal year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town of Boonton School District's basic financial statements and have issued our report thereon dated October 28, 2024.

#### **Report on Internal Control Over Financial Reporting**

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

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

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


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

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

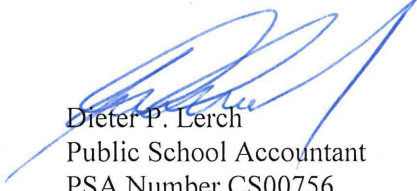
However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Town of Boonton School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated October 28, 2024.

### **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 Town of Boonton School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town of Boonton School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
October 28, 2024





# LERCH, VINCI & BLISS, LLP

CERTIFIED PUBLIC ACCOUNTANTS  
REGISTERED MUNICIPAL ACCOUNTANTS

EXHIBIT K-2

DIETER P. LERCH, CPA, RMA, PSA  
GARY J. VINCI, CPA, RMA, PSA  
JEFFREY C. BLISS, CPA, RMA, PSA  
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ROBERT W. HAAG, CPA, RMA, PSA

DEBRA GOLLE, CPA  
MARK SACO, CPA  
ROBERT LERCH, CPA, PSA  
CHRISTOPHER M. VINCI, CPA, PSA  
CHRISTINA CUIFFO, CPA, PSA  
JOHN CUIFFO, CPA, PSA

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT  
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE  
U.S. UNIFORM GUIDANCE AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE AS  
REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

**INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Town of Boonton School District  
Boonton, New Jersey

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

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

We have audited the Town of Boonton School District's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Town of Boonton School District's major federal and state programs for the fiscal year ended June 30, 2024. The Town of Boonton 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 Town of Boonton School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2024.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; 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 audit requirements of New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our responsibilities under those standards, U.S. Uniform Guidance and New Jersey OMB Circular 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 Town of Boonton School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the Town of Boonton School District's compliance with the compliance requirements referred to above.

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

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town of Boonton 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, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance and New Jersey OMB Circular 15-08 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town of Boonton School District's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, Government Auditing Standards, audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, U.S. Uniform Guidance, and New Jersey OMB Circular 15-08, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Boonton School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Boonton 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 U.S. Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the Town of Boonton School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

### ***Report on Internal Control Over Compliance***

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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 section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

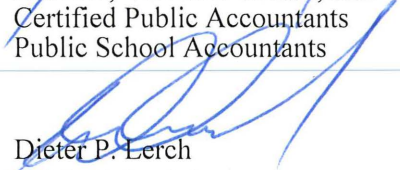
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. Uniform Guidance and New Jersey OMB Circular 15-08. Accordingly, this report is not suitable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

**Report on Schedule of Expenditures of Federal Awards Required by U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08**

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of the Town of Boonton School District as of and for the fiscal year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We have issued our report thereon dated October 28, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by the U.S. Uniform Guidance and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 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 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.



LERCH, VINCI & BLISS, LLP  
Certified Public Accountants  
Public School Accountants



Dieter P. Lerch  
Public School Accountant  
PSA Number CS00756

Fair Lawn, New Jersey  
October 28, 2024

TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2023	Carryover Amount		Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2024		Due to Grantor	Memo GAAP Receivable
						Unearned Revenue	Accounts Receivable					(Accounts Receivable)	Unearned Revenue/		
U.S. Department of Agriculture Passed-Through State Department of Agriculture: Enterprise Fund:															
National School Breakfast Program	10.553	241NJ304N1199	7/1/23-6/30/24	\$ 17,526				\$ 13,820	\$ 17,526			\$ (3,706)			\$ 3,706
National School Breakfast Program	10.553	231NJ304N1199	7/1/22-6/30/23	12,239	(1,210)			1,210							
Local Food for Schools (LFS) Cooperative Program	10.185		7/1/23-6/30/24	1,394				1,394	1,394						
National School Lunch Program	10.555														
Supply Chain Assistance Funding		241NJ344N8903	7/1/23-6/30/24	37,688				37,688	37,688						
Cash Assistance		241NJ304N1199	7/1/23-6/30/24	262,484				211,921	262,484			(50,563)			50,563
Cash Assistance		231NJ304N1199	7/1/22-6/30/23	273,422	(19,242)			19,242							
Non-Cash Assistance		241NJ304N1199	7/1/23-6/30/24	41,506				41,506	39,578				\$ 1,928		
Non-Cash Assistance		231NJ304N1199	7/1/22-6/30/23	40,035	1,460	-	-	-	1,460	-	-	-	-	-	-
Child Nutrition Cluster Total					(18,992)	-	-	326,781	360,130	-	-	(54,269)	1,928	-	54,269
Total Enterprise Funds					(18,992)	-	-	326,781	360,130	-	-	(54,269)	1,928	-	54,269
U.S. Department of Health and Human Services General Fund Medical Assistance Program	93.778	2005NJ5MAP	7/1/23-6/30/24	64,907	-	-	-	64,907	64,907	-	-	-	-	-	-
Total General Fund					-	-	-	64,907	64,907	-	-	-	-	-	-
U.S. Department of Education Passed Through State Department of Education Special Revenue Fund IDEA															
Part B, Basic	84.027A	H027A230100	7/1/23-9/30/24	451,864		\$ 4,373	\$ (4,373)	409,465	442,559			(46,772)	13,678		33,094
Part B, Basic	84.027A	H027A220100	7/1/22-9/30/23	395,161	(90,989)	(4,373)	4,373	79,802		\$ 11,187					-
ARP- IDEA Basic	84.027X	H027X210100	7/1/21-9/30/23	77,673	(47,131)			77,673	30,542						-
Preschool	84.173	H173A230114	7/1/23-9/30/24	14,774	-	11,178	(11,178)	2,138	25,952			(23,814)			23,814
Preschool	84.173A	H173A220114	7/1/22-9/30/23	14,280	(568)	(11,178)	11,178	1,791	-	(1,223)	-	-	-	-	-
Special Education Cluster Total					(138,688)	-	-	570,869	499,053	9,964	-	(70,586)	13,678	-	56,908
ESEA/NCLB															
Title I	84.010	S010A230030	7/1/23-9/30/24	216,936		9,347	(9,347)	138,756	209,188			(87,527)	17,095		70,432
Title I	84.010	S010A220030	7/1/22-9/30/23	180,092	(59,106)		9,347	59,106							
Title II-A	84.367A	S367A230029	7/1/23-9/30/24	34,453		30,327	(30,327)	39,118	41,117			(25,662)	23,663		1,999
Title II-A	84.367A	S367A220029	7/1/22-9/30/23	30,327	(1,631)	(30,327)	30,327	1,631							
Title III	84.365A	S365A230030	7/1/23-9/30/24	22,244		6,385	(6,385)	867	3,509			(27,762)	25,120		2,642
Title III	84.365A	S365A220030	7/1/22-9/30/23	16,069	(1,625)	(6,385)	6,385	1,625							
Title III - Immigrant	84.365A	S365A230030	7/1/23-9/30/24			1,361	(1,361)		556			(556)			556
Title III - Immigrant	84.365A	S365A220030	7/1/22-9/30/23	9,841	(8,554)	(1,361)	1,361	8,554							
Title IV	84.424A	S424A230031	7/1/23-9/30/24	13,626		2,528	(2,528)		13,250			(16,154)	2,904		13,250
Title IV	84.424A	S424A220031	7/1/22-9/30/23	15,455	(16,225)	(2,528)	2,528	16,225	-	-	-	-	-	-	-

TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor Program Title	Federal AL Number	FAIN Number	Grant Period	Award Amount	Balance July 1, 2023	Carryover Amount		Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	Balance, June 30, 2024		Due to Grantor	Memo GAAP Receivable
						Unearned Revenue	Accounts Receivable					(Accounts Receivable)	Unearned Revenue		
Elementary and Secondary School Emergency Relief (ESSER II)															
Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act															
ESSER II	84.425D	S425D200027	3/13/20-9/30/23	\$ 653,306	\$ (8,397)			\$ 8,397							
Learning Acceleration	84.425D	S425D200027	3/13/20-9/30/23	41,926	(5,791)			5,791							
Mental Health	84.425D	S425D200027	3/13/20-9/30/23	45,000	(6,179)			6,254	\$ 75						
American Rescue Plan (ESSER III)															
ESSER III	84.425U	S425U210027	3/13/20-9/30/24	1,468,264	(174,341)			614,210	532,786			\$ (168,989)	\$ 76,072		\$ 92,917
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	101,121	(100,568)			99,841	553			(1,280)			1,280
Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000				19,775	24,161			(20,225)	15,839		4,386
Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(13,940)			31,124	24,229			(8,876)	1,831		7,045
Mental Health Support Staffing	84.425U	S425U210027	3/13/20-9/30/24	45,000	(41,124)	-	-	41,124	-	-	-	(3,876)	3,876	-	-
ESSER Cluster Total					(350,340)	-	-	826,516	581,804	-	-	(203,246)	97,618	-	105,628
U.S. Department of Treasury															
Passed-Through State Department of Education															
Additional Compensatory Special Education and Related Services (ASCERS)	21.027	SLFRFDOED1SES	7/1/23-6/30/24	273,891				137,782	137,782			(136,109)	136,109		
Additional Compensatory Special Education and Related Services (ASCERS)	21.027	SLFRFDOED1SES	7/1/22-6/30/23	114,989	(57,371)	-	-	57,371	-	-	-	-	-	-	-
Total Special Revenue Fund					(633,540)	-	-	1,858,420	1,486,259	\$ 9,964	-	(567,602)	316,187	-	251,415
Total Federal Awards					\$ (652,532)	\$ -	\$ -	\$ 2,250,108	\$ 1,911,296	\$ 9,964	\$ -	\$ (621,871)	\$ 318,115	\$ -	\$ 305,684

The Notes to the Schedules of Federal Awards and State Financial Assistance are an integral part of this schedule.



TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance, July 1, 2023		Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	General Fund Contribution	Repayment of Prior Years' Balances	June 30, 2024		Due to Grantor	MEMO	
				Unearned Revenue/ (Accts Rec.)								(Accounts Receivable)	Unearned Revenue		GAAP Receivable	Cumulative Total Expenditures
State Department of Education																
General Fund																
Special Education Aid	24-495-034-5120-089	7/1/23-6/30/24	\$ 993,567					\$ 897,784	\$ 993,567			\$ (95,783)				\$ 993,567
Special Education Aid	23-495-034-5120-089	7/1/22-6/30/23	959,170	\$ (93,542)				93,542								
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	2,581,950					2,333,042	2,581,950			(248,908)				2,581,950
Equalization Aid	23-495-034-5120-078	7/1/22-6/30/23	1,646,780	(160,601)				160,601								
Security Aid	24-495-034-5120-084	7/1/23-6/30/24	238,909					215,877	238,909			(23,032)				238,909
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	238,909	(23,299)				23,299								
School Choice Aid	24-495-034-5120-068	7/1/23-6/30/24	15,122					13,664	15,122			(1,458)				15,122
School Choice Aid	23-495-034-5120-068	7/1/22-6/30/23	15,662	(1,528)				1,528								-
Maintenance of Equity Aid	23-495-034-5120-128	7/1/22-6/30/23	463,250	(463,250)	-	-	-	463,250	-	-	-	-	-	-	-	-
State Aid - Public Cluster Total				(742,220)	-	-	-	4,202,587	3,829,548	-	-	(369,181)	-	-	-	3,829,548
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	58,651					52,997	58,651			(5,654)				58,651
Transportation Aid	23-495-034-5120-014	7/1/22-6/30/23	58,651	(5,720)				5,720								
Extraordinary Aid	24-100-034-5120-044	7/1/23-6/30/24	576,438					576,438	576,438			(576,438)				576,438
Extraordinary Aid	23-100-034-5120-044	7/1/22-6/30/23	851,840	(851,840)				851,840								
On-Behalf TPAF Pension Contributions	24-495-034-5094-002	7/1/23-6/30/24	5,460,595					5,460,595	5,460,595							5,460,595
On Behalf TPAF Non Contributory Insurance Contributions	24-495-034-5094-004	7/1/23-6/30/24	62,275					62,275	62,275							62,275
On Behalf TPAF Post Retirement Contributions	24-495-034-5094-001	7/1/23-6/30/24	1,503,123					1,503,123	1,503,123							1,503,123
On Behalf TPAF Long Term Disability Insurance Contributions	24-495-034-5094-004	7/1/23-6/30/24	2,224					2,224	2,224							2,224
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	7/1/23-6/30/24	1,133,386					1,077,890	1,133,386			(55,496)			\$ 55,496	1,133,386
Reimbursed TPAF Social Security Contributions	23-495-034-5094-003	7/1/22-6/30/23	1,086,961	(105,263)	-	-	-	105,263	-	-	-	-	-	-	-	-
Total General Fund				(1,705,043)	-	-	-	13,324,514	12,626,240	-	-	(1,006,769)	-	-	55,496	12,626,240
Special Revenue Fund																
NJ Nonpublic Aid																
Auxiliary Services																
Compensatory Education	24-100-034-5120-067	7/1/23-6/30/24	54,484					54,484	54,484							54,484
Compensatory Education	23-100-034-5120-067	7/1/22-6/30/23	39,928	\$ 2,966				-		\$ 2,966		(1,024)	-	-	1,024	1,024
Home Instruction	24-100-034-5120-067	7/1/23-6/30/24	1,024	-	-	-	-	-	1,024	-	-	(1,024)	-	-	-	-
Nonpublic Auxiliary Services (Chapter 192) Cluster Total				-	2,966	-	-	54,484	55,508	-	2,966	(1,024)	-	-	1,024	55,508
Handicapped Services																
Examination and Classification	24-100-034-5120-066	7/1/23-6/30/24	28,059					28,059	26,303					\$ 1,756		26,303
Examination and Classification	23-100-034-5120-066	7/1/22-6/30/23	25,026		4,391						4,391					
Corrective Speech	24-100-034-5120-066	7/1/23-6/30/24	20,088					20,088	19,158					930		19,158
Corrective Speech	23-100-034-5120-066	7/1/21-6/30/23	10,416		53						53					
Supplemental Instruction	24-100-034-5120-066	7/1/23-6/30/24	20,650	-	-	-	-	20,650	19,989	-	-	-	-	661	-	19,989
Nonpublic Handicapped Services (Chapter 193) Cluster Total				-	4,444	-	-	68,797	65,450	-	4,444	-	-	3,347	-	65,450
Textbook Aid	24-100-034-5120-064	7/1/23-6/30/24	17,169					17,169	17,169							17,169
Nursing Aid	24-100-034-5120-070	7/1/23-6/30/24	35,640		-			35,640	35,640							35,640
Technology Aid	24-100-034-5120-373	7/1/23-6/30/24	14,553					14,532	14,532					21		14,532
Security Aid	24-100-034-5120-509	7/1/23-6/30/24	60,885					60,885	59,427					1,458		59,427
Security Aid	23-100-034-5120-509	7/1/22-6/30/23	41,410		1,386						1,386					-
Preschool Education Expansion Aid	24-495-034-5120-086	7/1/22-6/30/24	1,800,240			\$ 60,986		1,620,216	2,213,052	\$ 360,048		(180,024)	\$ 8,222			2,213,052
Preschool Education Expansion Aid	23-495-034-5120-086	7/1/22-6/30/23	1,842,230	(123,237)	-	-	(60,986)	184,223	-	-	-	-	-	-	-	-
School Development Authority																
Emergency and Capital Maintenance Needs Program		7/1/23-6/30/24	36,910	-	-	-	-	36,910	36,910	-	-	-	-	-	-	36,910
Total Special Revenue Fund				(123,237)	8,796	-	-	2,092,877	2,497,688	360,048	8,796	(181,048)	8,222	4,826	1,024	2,497,688
Debt Service Fund																
Debt Service Aid - Type II	24-495-034-5120-017	7/1/23-6/30/24	377,375	-	-	-	-	377,375	377,375	-	-	-	-	-	-	377,375
Total Debt Service Fund				-	-	-	-	377,375	377,375	-	-	-	-	-	-	377,375
Enterprise Fund																
Food Service																
State School Lunch Program																
School Breakfast and Lunch State Aid	23-100-010-3350-023	7/1/23-6/30/24	3,113					2,505	3,113			(608)				3,113
School Lunch - State Aid	23-100-010-3350-023	7/1/23-6/30/24	7,061					5,743	7,061			(1,318)				7,061
Working Class Families State Supplement	23-100-010-3350-023	7/1/23-6/30/24	4,600					3,614	4,600			(986)				4,600
State School Lunch Program	23-100-010-3350-023	7/1/22-6/30/23	11,358	(789)	-	-	-	789	-	-	-	-	-	-	-	-
Total Enterprise Fund				(789)	-	-	-	12,651	14,774	-	-	(2,912)	-	-	-	14,774
Total State Awards				\$ (1,829,069)	\$ 8,796	\$ -	\$ -	15,807,417	15,516,077	\$ 360,048	\$ 8,796	\$ (1,190,729)	\$ 8,222	\$ 4,826	\$ 56,520	\$ 15,516,077
Less:																
On-Behalf Assistance Not Included in Single Audit and Major Program Determination																
TPAF Pension Contributions								(5,460,595)	(5,460,595)							
TPAF Non Contributory Insurance Contributions								(62,275)	(62,275)							
TPAF Post Retirement Medical Contributions								(1,503,123)	(1,503,123)							
TPAF Long Term Disability Insurance Contributions								(2,224)	(2,224)							
Total State Financial Assistance Subject to Single Audit and Major Program Determination Calculation								\$ 8,779,200	\$ 8,487,860							

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 1 REPORTING ENTITY**

The Town of Boonton School District (the “Board” or the “District”) received and participated in numerous Federal Award and State Financial Assistance programs in the form of cost reimbursement grants and revenue sharing entitlements. The Board is the reporting entity for these programs. The Board is defined in Note 1 (A) to the Board’s Financial Statements.

**NOTE 2 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (the “Schedules”) present the activity of all federal and state programs of the Board. All federal awards received directly from federal agencies or passed through other government agencies are included on the schedule of expenditures of federal awards. All state awards received directly from state agencies or passed through other government agencies are included in the schedule of expenditures of state financial assistance. The information in these Schedules are presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular Letter 15-08 *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*.

**NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Schedules are prepared and presented using 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 basis of accounting are described in the Notes to the Budgetary Comparison Schedules (RSI) and Note 1(D) to the Board’s financial statements, respectively. Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements. The Board’s summary of significant accounting policies are described in Note 1 to the Board’s financial statements.

**NOTE 4 RELATIONSHIP TO FINANCIAL STATEMENTS**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$185,257 for the general fund and an increase of \$177,954 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 financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 53,908	\$ 12,811,497	\$ 12,865,405
Special Revenue Fund	1,690,499	2,145,782	3,836,281
Debt Service Fund		377,375	377,375
Food Service Fund	<u>358,736</u>	<u>14,774</u>	<u>373,510</u>
Total Financial Assistance	<u>\$ 2,103,143</u>	<u>\$ 15,349,428</u>	<u>\$ 17,452,571</u>

**TOWN OF BOONTON SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF EXPENDITURES OF  
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**NOTE 5 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

**NOTE 6 OTHER INFORMATION**

Revenues and expenditures reported under the Food Distribution Program as non-cash assistance represent current year value received and current year distributions, respectively. TPAF Social Security contributions in the amount of \$1,133,386 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2024. The amount reported as TPAF Pension System Contributions in the amount of \$5,522,870, TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,503,123 and TPAF Long-Term Disability Insurance in the amount of \$2,224 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2024.

**NOTE 7 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT**

On-behalf State Programs for TPAF Pension, Post-Retirement Medical Benefits and Long-Term Disability Insurance Contributions payments are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**NOTE 8 DE MINIMIS INDIRECT COST RATE**

The District has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.





## State Awards Section

\$ 750,000

           yes          x     no

\_\_\_\_\_ yes          x     no

yes            x    none reported

Unmodified

           yes            x       no

GMS Number(s)	Name of State Program
495-034-5120-089	Special Education Aid
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-068	School Choice Aid
495-034-5094-003	Reimbursed TPAF Social Security

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR FEDERAL AWARDS**

There are none.

**TOWN OF BOONTON SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by U.S. Uniform Guidance and New Jersey OMB's Circular 15-08.

**CURRENT YEAR STATE AWARDS**

There are none.