

CLINTON TOWNSHIP SCHOOL DISTRICT

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

JUNE 30, 2024

**Responsibility of the Management of
Clinton Township School District
Hunterdon County, New Jersey**



Certified Public Accountants, PC

CLINTON TOWNSHIP SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024

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Clinton Township Board of Education

“Where Children Come First”



Melissa Stager, Ed. D.
Superintendent of Schools

Gretchen Demsey, Ed. D.
School Business Administrator/Board Secretary

December 5, 2024

The Honorable President and Members of
the Board of Education
Clinton Township School District County
of Hunterdon, New Jersey

Dear Board Members:

The Annual Comprehensive Financial Report (the ACFR) of the Clinton Township School District (the District) for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the Basic Financial Statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The ACFR is presented in four sections: Introductory, Financial, Statistical and Single Audit. The Introductory Section includes this Letter of Transmittal, the District's Organizational Chart and Roster of Officials. The Financial Section includes the Independent Auditors' Report, the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the Single Audit Section of this report.

1) **REPORTING ENTITY AND ITS SERVICES**

The Township of Clinton School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) in codification section 2100. All funds of the District are included in this report. The Clinton Township School District and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. The District completed the 2023-2024 fiscal year with an average daily enrollment of 1,232 students.

2) **ECONOMIC CONDITIONS AND OUTLOOK**

The following text has been excerpted from the Congressional Budget Office (CBO)'s publication entitled *An Update to the Budget and Economic Outlook: 2024 to 2034 Executive Summary*:

In CBO's projections, the federal budget deficit in fiscal year 2024 is \$1.9 trillion. Adjusted to exclude the effects of shifts in the timing of certain payments, the deficit amounts to \$2.0 trillion in 2024 and grows to \$2.8 trillion by 2034. With such adjustments, deficits equal 7.0 percent of gross domestic product (GDP) in 2024 and 6.5 percent of GDP in 2025. By 2027, as revenues increase faster than outlays, they drop to 5.5 percent of GDP. Thereafter, outlays generally increase faster than revenues. By 2034, the adjusted deficit equals 6.9 percent of GDP - significantly more than the 3.7 percent that deficits have averaged over the past 50 years.

In CBO's current projections, the deficit for 2024 is \$0.4 trillion (or 27 percent) larger than it was in the agency's February 2024 projections, and the cumulative deficit over the 2025-2034 period is larger by \$2.1 trillion (or 10 percent). The largest contributor to the cumulative increase was the incorporation of recently enacted legislation into CBO's baseline, which added \$1.6 trillion to projected deficits. That legislation included emergency supplemental appropriations that provided \$95 billion for aid to Ukraine, Israel, and countries in the Indo-Pacific region.

Relative to the size of the economy, debt swells from 2024 to 2034 as increases in interest costs and mandatory spending outpace decreases in discretionary spending and growth in revenues. Debt held by the public rises from 99 percent of GDP this year to 122 percent in 2034, surpassing its previous high of 106 percent of GDP.

Economic growth is projected to slow from 3.1 percent in calendar year 2023 to 2.0 percent in 2024 amid higher unemployment and slightly lower inflation. CBO expects the Federal Reserve to respond by reducing interest rates, starting in early 2025. In CBO's projections, economic growth remains steady at 2.0 percent in 2025 before settling at roughly 1.8 percent in 2026 and later years. A surge in immigration that began in 2021 continues through 2026, expanding the labor force and boosting economic output.

The overall growth of prices is expected to slow slightly in 2024. In CBO's projections, inflation as measured by the price index for personal consumption expenditures (PCE) falls from 2.7 percent in 2024 to a rate roughly in line with the Federal Reserve's long-run goal of 2 percent by 2026 and stabilizes thereafter.

Short-term interest rates change little in 2024 as the federal funds rate (the rate financial institutions charge each other for overnight loans) remains at its highest level since 2001. That rate begins to decline in the first quarter of 2025. Interest rates on 10-year Treasury notes fall through the end of 2026, then gradually rise. Since February 2024, when CBO published its most recent economic forecast, the agency has raised its projections of economic growth, inflation (as measured by the PCE price index), and short-term interest rates for 2024 while lowering its projection of the unemployment rate. The differences between CBO's current and previous forecasts generally narrow as the forecasts extend further into the future.

The following text has been excerpted from New Jersey- State Economic Profile, available on IBISWorld website.

In 2024, the state of New Jersey has a population of 9,328,339, having grown an annualized 1.0% over the five years to 2024, which ranks it 9th out of all 50 US states by growth rate. New Jersey's gross state product (GSP) in 2024 reached \$679.8b, with growth of 2.0% over the 5 years to 2024. Businesses in New Jersey employed a total of 4,942,493 people in 2024, with average annual employment growth over the past five years of 0.9%. The top three sectors by total employment are Real Estate and Rental and Leasing, Professional, Scientific and Technical Services, Healthcare and Social Assistance, while the unemployment rate across the state in 2024 was 5.0%.

The largest industries by revenue in New Jersey are Drug, Cosmetic & Toiletry Wholesaling, Life Insurance & Annuities and Automobile Wholesaling, which generated \$176.2b, \$77.1b and \$76.0b in 2024. The largest companies by employment in New Jersey are Amazon.Com, Inc., RWJBarnabas Health and Wakefern Food Corporation, which employed 46,000, 41,000 and 40,200 people in 2024.

The Real Estate and Rental and Leasing, Professional, Scientific and Technical Services and Healthcare and Social Assistance sectors contributed the most to New Jersey's GDP in 2024, representing a combined 39.9% of state GDP.

GDP trends by sector are an important indicator of which sectors are contributing the most value-add to the state's economy, in addition to how the state economy is evolving over time.

The Healthcare and Social Assistance, Retail Trade and Professional, Scientific and Technical Services sectors contributed the most to employment in New Jersey in 2024, representing a combined 36.7% of state employment. Employment trends by sector are an important indicator of which sectors are growing or contracting most rapidly relative to the state economy as a whole.

The state of New Jersey employs 4,942,493 people in 2024, which ranks 10th out of all 50 US states. Employment in New Jersey has grown at an annualized rate of 1.0% over the five years to 2024, underperforming the national average of 1.2%. Major sectors by employment in New Jersey include Healthcare and Social Assistance, Retail Trade and Professional, Scientific and Technical Services, which employed 734,694, 569,522 and 510,680 people in 2024, respectively. New Jersey's unemployment rate is 5.0% in 2024, which ranks it 46th out of 50 states. New Jersey's unemployment rate has trended upwards at a rate of 7.7% over the five years to 2024, overperforming the US economy as a whole. Employment trends indicate the degree of tightness or slack in labor markets, in addition to the overall strength of an economy. Faster employment growth typically indicates a strong and growing economy, while lower unemployment tends to imply tightness in labor markets.

Per capita disposable income, also known as disposable personal income (DPI), is the amount of money that the average person in an economy has available for spending and saving after accounting for income taxes. New Jersey's DPI in 2024 was \$121.7k, compared to the US average of \$128.6k, which places it 41st out of all 50 US states.

Disposable income is regarded as a key economic indicator as trends in disposable income are indicative of the level of aggregate demand, the state of labor markets and the financial strength of households.

In New Jersey, non-residential construction was \$8,806.7tn in 2024, which ranks it 29th out of all US states. Residential construction was \$4.8tn in 2024, which places New Jersey 11th in the United States. The number of building permits issued in New Jersey in 2024 was 30,460, representing a -1.0% annualized growth rate between 2019 and 2024.

Trends in the construction sector are important because it creates jobs, income and tax revenue for a state. In addition, construction sector activity impacts other sectors in its supply chain, including manufacturing, wholesaling, warehousing, transportation, and real estate, rental and leasing services. Therefore, construction trends are important indicators of the health of an economy.

3) **MAJOR INITIATIVES**

Clinton Township School District, using data-driven decision-making, set the following district and building goals for the 2024-2025 school year. These goals are built on goals from previous school years.

The goals are as follows:

- **Goal One:** Using professional learning time, educators will focus on using targeted instructional strategies (TIER I and II) to exceed the previous year's growth outcomes as measured by i-Ready Data.
- **Goal Two:** Staff members will use the strategic planning process to promote whole-child learning, access to education, curriculum revisions, facilities improvement, and stronger communication and the progress on each goal will be tracked throughout the school year.

Goal one builds off previous years' goals in improving our core instruction. According to New Jersey Tiered Systems of Support (NJTSS) 80% of students should meet or exceed state-established standards. We experienced tremendous growth in many grades the previous year but are still balancing the instructional core. That means, there also needs to be a focus on Tier II interventions which are short intervention cycles that focus on a skill and do not disrupt regular learning time. We will use this goal to exceed the previous year's goal and move closer to 80%.

Goal two expands the work on the strategic plan developed in the 2022-2023 school year. In the 2023-2024 school year, through work on the strategic plan we adopted a new website, started a journey toward becoming certified as a sustainable Jersey School, began a curriculum audit, and created a baseline understanding of our students' sense of belonging. This year, we will continue to use our teacher-led strategic planning to continue to meet the yearly benchmarks that make up the five-year plan progress.

In grades K-5 we are implementing year two of our new math curriculum and are implementing year one in 6th grade. We are continuing our OpenSciEd pilot in K-8 and have expanded it to include a pilot for our middle school focusing on Data Science. These improvements are occurring at the same time as we are piloting new units in ELA. This structured approach allows us to improve multiple aspects of our curriculum without overwhelming teachers.

We have made investments in our technological infrastructure, ensuring that our wires and access points are reliable. We have also expanded technology use in the classroom through the edition of Smart Boards PK-2. We opened our state-funded full-day preschool in the 2023 and 2024 school year and installed smart boards in those classrooms. We also installed Smart Boards at Patrick McGherean School. We continue to monitor our communication technology and are looking into ways to continue to expand the upgrades we have planned for over the next few years.

Along with starting the new preschool, we have all new schedules in the buildings, all built to maximize learning time, and give opportunity for Tier II interventions. We are also looking for ways to improve student learning while delivering a cost-effective education.

Clinton Township School District is committed to serving all students in an environment that honors every student's individuality while preparing them for a changing, global future. The goals and our additional work are orchestrated to increase student learning, address areas of need, and create a sustainable plan for improvement over time.

4) **INTERNAL ACCOUNTING CONTROLS**

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

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

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

5) **BUDGETARY CONTROLS**

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and assignments as of June 30, 2024.

6) **ACCOUNTING SYSTEM AND REPORTS**

The District's accounting records reflect generally accepted accounting principles as promulgated by the GASB. The accounting system of the District is organized on the basis of funds. These funds are explained in the Notes to the Financial Statements, Note 1.

7) **CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in the Notes to the Basic Financial Statements, Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit.

Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

The district took advantage of the higher interest rates available in the 2023-2024 school year, earning up to 4% on cash balances.

8) **RISK MANAGEMENT:**

The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. Insurance coverage was carried in the amounts as detailed on Exhibit J-20, Insurance Schedule contained in the District's ACFR.

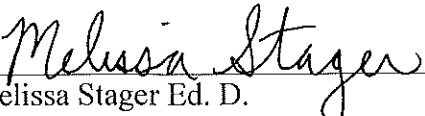
9) **OTHER INFORMATION:**

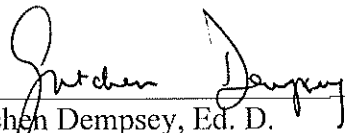
Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of BKC, CPAs, PC, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey's OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The Auditors' Report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The Auditors' Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

10) **ACKNOWLEDGMENTS:**

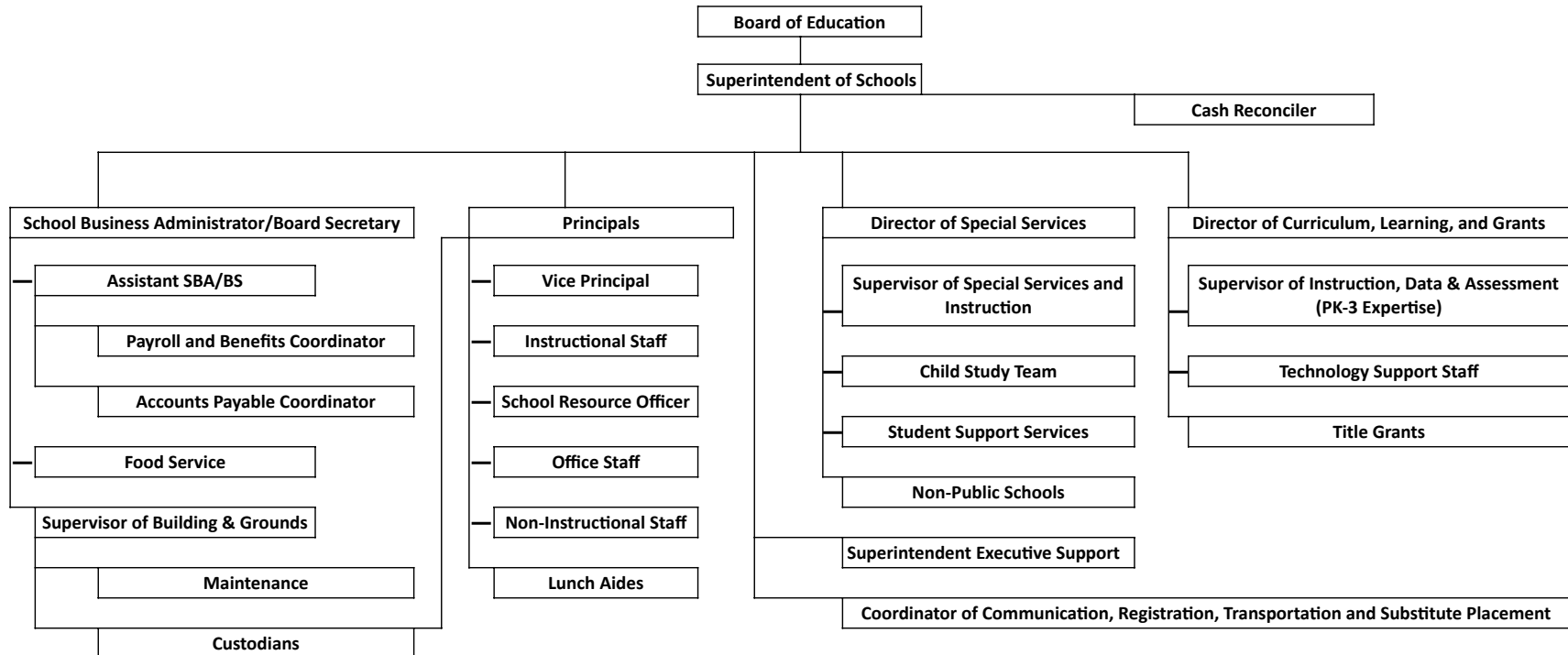
We would like to express our appreciation to the members of the Clinton Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.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

Respectfully submitted,


Melissa Stager Ed. D.
Superintendent of Schools


Gretchen Dempsey, Ed. D.
School Business Administrator/Board Secretary

Organization Chart
BOE approved: 1/03/2024



CLINTON TOWNSHIP SCHOOL DISTRICT
Roster of Officials
June 30, 2024

Members of the Board of Education	Title	Term Expires
Lana Brennan	President	2026
Catherine Riihimaki	Vice President	2024
Catherine Mary Emery		2024
Vanessa Preston		2024
Daniel Rosa		2024
Michael Blumenfeld		2025
Scott Hornick		2025
Jennifer Kaltenbach		2025
Matthew Fernandes		2026

Other Officials	Title
Dr. Melissa Stager	Superintendent of Schools
Dr. Gretchen Dempsey	Business Administrator/Board Secretary
Shari Schultz	Reconciler of School Monies

CLINTON TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors
June 30, 2024

ATTORNEY

Porzio, Bromberg, & Newman, P.C.
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Bordentown, NJ 08505

OFFICIAL DEPOSITORY

Citizens Bank
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Clinton, NJ 08809



Certified Public Accountants, PC
www.bkc-cpa.com

Independent Auditors' Report

Honorable President and
Members of the Board of Education
Clinton Township School District
County of Hunterdon, New Jersey

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clinton Township School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2024, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements as listed in the Table of Contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* 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 and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedules Related to Accounting and Reporting for Pensions, and Schedules Related to Accounting and Reporting for Other Postemployment Employee Benefits listed in the Table of Contents be presented to supplement the Basic Financial Statements. Such information is the responsibility of Management and, although not a part of the Basic Financial Statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the Basic Financial Statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with Management's responses to our inquiries, the Basic Financial Statements, and other knowledge we obtained during our audit of the Basic Financial Statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's Basic Financial Statements. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and Schedule of Expenditures of State Financial Assistance required by New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are also presented for purposes of additional analysis not a required part of the Basic Financial Statements.

Such information is the responsibility of Management and were derived from and relates directly to the underlying accounting and other records used to prepare the Basic Financial Statements. The information has been subjected to the auditing procedures applied in the audit of the Basic Financial Statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the Basic Financial Statements or to the Basic Financial Statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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.

Other Information

Management is responsible for the Other Information included in the annual report. The Other Information comprises the Introductory, Combining and Individual Non-Major Fund Financial Schedules and Statistical Sections but does not include the Basic Financial Statements and our auditors' report thereon. Our opinion on the Basic Financial Statements do not cover the Other Information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely 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 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 District's internal control over financial reporting and compliance.



BKC, CPAs, PC



Michael Holk, CPA, PSA
NO. 20CS00265600

December 5, 2024
Flemington, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

The discussion and analysis of Clinton Township School District's (the District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the Basic Financial Statements and Notes to the Financial Statements enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2024 are as follows:

- In total, net position increased \$2,622,073, which represents an 9.63% increase from 2023.
- General revenues accounted for \$42,139,590 in revenue or 94.29% of all revenues. Program specific revenues in the form of charges for services, operating grants, and contributions accounted for \$2,553,606 or 5.71% of total revenues of \$44,693,196.
- Total assets of governmental activities decreased by \$1,310,800, as cash and cash equivalents decreased by \$551,017, receivables and other assets decreased by \$305,431, and capital assets decreased by \$454,352.
- The District had \$42,071,123 in expenses; only \$2,553,606 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) were \$42,139,590.
- Among major funds, the general fund had \$36,956,402 in revenues, \$36,643,271 in expenditures, and \$1,136,925 in net other financing uses. The general fund's balance decreased \$823,794 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 the reader can understand Clinton Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the School District as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. No financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are reported including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these Fund Financial Statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, special revenue fund, capital projects fund and debt service fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds measure and report the operating results by measuring cash on hand and other assets that can be easily converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provided.

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position at June 30, 2024 compared to June 30, 2023.

Table 1
Net Position

	06/30/24	06/30/23	Variance	
			Dollars	Percent
Assets				
Current & other assets	\$ 7,959,063	\$ 8,783,482	\$ (824,419)	-9.39%
Capital assets	46,181,696	46,643,222	(461,526)	-0.99%
Total assets	54,140,759	55,426,704	(1,285,945)	-2.32%
Deferred outflows of resources	1,934,270	2,194,046	(259,776)	-11.84%
Liabilities				
Long-term liabilities	24,611,674	26,134,830	(1,523,156)	-5.83%
Other liabilities	810,984	2,752,893	(1,941,909)	-70.54%
Total liabilities	25,422,658	28,887,723	(3,465,065)	-11.99%
Deferred inflow of resources	797,008	1,499,737	(702,729)	-46.86%
Net position				
Net investment in capital assets	27,903,676	27,287,999	615,677	2.26%
Restricted	6,426,931	5,764,386	662,545	11.49%
Unrestricted	(4,475,244)	(5,819,095)	1,343,851	23.09%
Total net position	\$ 29,855,363	\$ 27,233,290	\$ 2,622,073	9.63%

Total assets decreased \$1,285,945. Cash and cash equivalents decreased by \$455,149, receivables and other assets decreased by \$369,270, and capital assets decreased by \$461,526. Unrestricted net position, the part of net position that can be used to finance day to day activities without constraints established by grants or legal requirements, of the School District increased by \$1,343,851.

The negative balance in unrestricted net position is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Table 2 shows the changes in net position for the fiscal year ended June 30, 2024 compared to June 30, 2023.

Table 2
Changes in Net Position

	06/30/24	06/30/23	Variance	
			Dollars	Percent
Revenues				
Program revenues				
Charges for services	\$ 809,391	\$ 754,223	\$ 55,168	7.31%
Operating grants and contributions	1,744,215	8,277,708	(6,533,493)	-78.93%
General revenues				
Property taxes	28,628,260	27,826,274	801,986	2.88%
Grants and entitlements	13,101,874	186,182	12,915,692	6937.13%
Other	409,456	418,378	(8,922)	-2.13%
Total revenues	<u>44,693,196</u>	<u>37,462,765</u>	<u>7,230,431</u>	19.30%
Expenses				
Instruction				
Regular	19,287,444	14,108,654	5,178,790	36.71%
Special	2,191,565	3,949,474	(1,757,909)	-44.51%
Other	953,403	121,475	831,928	684.86%
Support services				
Tuition	780,955	290,967	489,988	168.40%
Student & instructional related services	9,678,085	7,389,644	2,288,441	30.97%
General & business administration	1,775,150	1,525,958	249,192	16.33%
School administration	1,041,032	960,783	80,249	8.35%
Maintenance	3,296,065	3,093,747	202,318	6.54%
Transportation	2,012,633	1,913,559	99,074	5.18%
Food service	572,959	613,881	(40,922)	-6.67%
Interest on long-term debt	481,832	421,623	60,209	14.28%
Total expenses	<u>42,071,123</u>	<u>34,389,765</u>	<u>7,681,358</u>	22.34%
Change in net position	<u>\$ 2,622,073</u>	<u>\$ 3,073,000</u>	<u>\$ (450,927)</u>	-14.67%

Governmental Activities

Local property taxes made up 64.96% of revenues for governmental activities for the Clinton Township School District for fiscal year 2024.

Instruction comprises 53.32% of district expenses. Support services expenses, food service expenses, and interest on long-term debt make up 46.68% of the expenses.

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 provides a summary of the School District's cost of governmental services in fiscal year ending June 30, 2024 compared to June 30, 2023.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	06/30/24	06/30/23	06/30/24	06/30/23
Instruction	\$ 22,432,412	\$ 18,179,603	\$ 21,543,359	\$ 11,719,748
Support services				
Tuition	780,955	290,967	4,33,783	290,967
Student & instructional staff	9,678,085	7,389,644	9,207,031	6,546,900
General & business administration	1,775,150	1,525,958	1,775,150	1,337,222
School administration	1,041,032	960,783	928,306	873,211
Plant operations & maintenance	3,296,065	3,093,747	3,178,100	3,093,747
Pupil transportation	2,012,633	1,913,559	2,012,633	1,212,762
Food services	572,959	613,881	(42,677)	(138,346)
Interest on long-term debt	481,832	421,623	481,832	421,623
Total expenses	<u>\$ 42,071,123</u>	<u>\$ 34,389,765</u>	<u>\$ 39,517,517</u>	<u>\$ 25,357,834</u>

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

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

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

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in a safe and 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 and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

The dependence upon tax revenues is apparent. For all activities, general revenue support is 94.29%. The community, as a whole, is the primary support or funding source for the Clinton Township School District.

The School District's Funds

Information about the School District's major funds starts in the section entitled Fund Financial Statements. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$41,061,259 and expenditures of \$40,495,468. The general fund had an decrease in fund balance of \$823,794.

General Fund Budgeting Highlights

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

During the course of fiscal year 2024, the School District amended its general fund budget as needed. The School District uses program-based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the general fund, budgetary basis revenue and other financing sources were \$30,485,092, \$324,002 above original budgeted estimates of \$30,161,090. This difference was primarily due to receiving unbudgeted extraordinary and stabilization aid.

Capital Assets

At the end of the fiscal year 2024, the School District had \$46,181,696 invested in land, building and improvements, furniture and equipment, and vehicles. Table 4 shows June 30, 2024 balances compared to June 30, 2023.

Table 4
Capital Assets at Year End (Net of Depreciation)

	06/30/24	06/30/23	Variance	
			Dollars	Percent
Land	\$ 4,996,634	\$ 4,996,634	\$ -	0.00%
Construction in progress	731,781	-	731,781	*
Buildings & improvements	39,463,792	40,744,490	(1,280,698)	-3.14%
Furniture & equipment	960,300	902,098	58,202	6.45%
Vehicles	29,189	-	29,189	*
	<u>\$ 46,181,696</u>	<u>\$ 46,643,222</u>	<u>\$ (461,526)</u>	-0.99%

* Undefined

CLINTON TOWNSHIP SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
Unaudited

Overall capital assets decreased \$461,526 from fiscal year 2023 to fiscal year 2024. Increases in capital assets were offset by depreciation expenses for the year.

Long-term liabilities

At June 30, 2024, the School District had \$24,611,674 of outstanding long-term liabilities. This amount is detailed in Table 5 below for June 30, 2024 compared to June 30, 2023.

At June 30, 2024, the legal debt limit is \$72,667,492. General obligation debt at June 30, 2024 is \$18,114,000 resulting in a legal debt margin of \$54,553,492.

Table 5
Long-Term Liabilities at Year End

	06/30/24	06/30/23	Variance	
			Dollars	Percent
General obligation bonds payable	\$ 18,114,000	\$ 19,564,000	\$ (1,450,000)	-7.41%
Compensated absences payable	945,646	916,138	29,508	3.22%
PERS net pension liability	5,321,601	5,227,557	94,044	1.80%
Capital leases payable	164,020	261,209	(97,189)	-37.21%
Bond premium	66,407	165,926	(99,519)	-59.98%
	<u>\$ 24,611,674</u>	<u>\$ 26,134,830</u>	<u>\$ (1,523,156)</u>	<u>-5.83%</u>

For the Future

The District's state aid expanded in 23-24 as it now includes *Preschool Expansion Aid (PEA)* due to the district's mid-year implementation of state-funded preschool. This coming year, the District does not anticipate an increase in state aid beyond the increased funds based on expanding our preschool classes; overall, removing preschool enrollment numbers may even result in expected decreases.

Increasing regulations, state-mandate submissions and reports, and rising costs make it difficult to maintain compliance while working to improve the District. This, coupled with needed infrastructure upgrades and pending lawsuits, predicts that there will most likely need to be some sort of increase in financial support moving forward.

Contacting the School District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, 128 Cokesbury Rd. Lebanon, NJ 08833.

DISTRICT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

CLINTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 214,874	\$ 110,844	\$ 325,718
Due from other funds, net	57,070	-	57,070
Receivables, net	1,080,165	35,215	1,115,380
Inventory	-	13,353	13,353
Restricted assets			
Capital reserve account - cash	5,181,681	-	5,181,681
Maintenance reserve - cash	1,026,810	-	1,026,810
Student activities - cash	95,329	-	95,329
Unemployment claims - cash	143,720	-	143,720
Debt service - cash	2	-	2
Capital assets, net			
Land	4,996,634	-	4,996,634
Capital assets not being depreciated	731,781	-	731,781
Other capital assets, net of depreciation	40,252,489	200,792	40,453,281
Total assets	<u>53,780,555</u>	<u>360,204</u>	<u>54,140,759</u>
Deferred outflows of resources			
Deferred amount on pension activity	1,705,551	-	1,705,551
Deferred amount on loss on refunding long-term debt	228,719	-	228,719
Total deferred outflows of resources	<u>1,934,270</u>	<u>-</u>	<u>1,934,270</u>
Liabilities			
Due to other funds, net	-	57,070	57,070
Accounts payable	104,874	-	104,874
Payable to State government	22,432	-	22,432
Accrued interest	201,146	-	201,146
Payroll deductions and withholdings payable	4,854	-	4,854
Unearned revenue	386,652	17,934	404,586
Unemployment compensation claims payable	16,022	-	16,022
Long-term liabilities			
Due within one year	1,728,999	-	1,728,999
Due beyond one year	22,882,675	-	22,882,675
Total liabilities	<u>25,347,654</u>	<u>75,004</u>	<u>25,422,658</u>
Deferred inflows of resources			
Deferred amount on pension liability	797,008	-	797,008
Total deferred inflows of resources	<u>797,008</u>	<u>-</u>	<u>797,008</u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position (continued)
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Net position			
Net investment in capital assets	\$ 27,702,884	\$ 200,792	\$ 27,903,676
Restricted for			
Capital reserve	5,181,681	-	5,181,681
Maintenance reserve	1,026,810	-	1,026,810
Student activities	95,329	-	95,329
Unemployment claims	123,109	-	123,109
Debt service	2	-	2
Unrestricted	(4,559,652)	84,408	(4,475,244)
Total net position	<u>\$ 29,570,163</u>	<u>\$ 285,200</u>	<u>\$ 29,855,363</u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business- Type Activities	Total
Governmental activities								
Instruction								
Regular	\$ 9,252,860	\$ 10,034,584	\$ 142,923	\$ 627,347	\$ -	\$ (18,517,174)	\$ -	\$ (18,517,174)
Special education	1,246,142	945,423	-	99,279	-	(2,092,286)	-	(2,092,286)
Other special education	728,287	102,238	-	19,504	-	(811,021)	-	(811,021)
Other instruction	94,648	28,230	-	-	-	(122,878)	-	(122,878)
Support services								
Tuition	780,955	-	-	347,172	-	(433,783)	-	(433,783)
Students & instruction related services	5,623,288	4,054,797	137,131	333,923	-	(9,207,031)	-	(9,207,031)
General & business administration services	1,230,327	544,823	-	-	-	(1,775,150)	-	(1,775,150)
School administration services	609,575	431,457	-	112,726	-	(928,306)	-	(928,306)
Plant operations & maintenance	2,949,039	347,026	117,965	-	-	(3,178,100)	-	(3,178,100)
Pupil transportation	1,997,203	15,430	-	-	-	(2,012,633)	-	(2,012,633)
Interest on long-term debt	481,832	-	-	-	-	(481,832)	-	(481,832)
Total governmental activities	<u>24,994,156</u>	<u>16,504,008</u>	<u>398,019</u>	<u>1,539,951</u>	<u>-</u>	<u>(39,560,194)</u>	<u>-</u>	<u>(39,560,194)</u>
Business-type activities								
Food service	<u>572,959</u>	<u>-</u>	<u>411,372</u>	<u>204,264</u>	<u>-</u>	<u>-</u>	<u>42,677</u>	<u>42,677</u>
Total business-type activities	<u>572,959</u>	<u>-</u>	<u>411,372</u>	<u>204,264</u>	<u>-</u>	<u>-</u>	<u>42,677</u>	<u>42,677</u>
Total primary government	<u>\$ 25,567,115</u>	<u>\$ 16,504,008</u>	<u>\$ 809,391</u>	<u>\$1,744,215</u>	<u>\$ -</u>	<u>(39,560,194)</u>	<u>42,677</u>	<u>(39,517,517)</u>
General revenues, special items and transfers								
Property taxes levied for general purposes						26,740,870	-	26,740,870
Property taxes levied for debt service						1,887,390	-	1,887,390
Federal and state aid not restricted						13,101,874	-	13,101,874
Investment earnings						183,671	2,995	186,666
Miscellaneous income						221,530	1,260	222,790
Total general revenues, special items and transfers						<u>42,135,335</u>	<u>4,255</u>	<u>42,139,590</u>
Change in net position						2,575,141	46,932	2,622,073
Net position - beginning						26,995,022	238,268	27,233,290
Net position - ending						<u>\$ 29,570,163</u>	<u>\$ 285,200</u>	<u>\$ 29,855,363</u>

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

CLINTON TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 54,045	\$ 160,829	\$ -	\$ -	\$ 214,874
Due from other funds	82,764	8,022	-	-	90,786
Receivables from other governments					
State	846,557	7,450	-	-	854,007
Federal	18,119	186,156	-	-	204,275
Other accounts receivable	21,883	-	-	-	21,883
Restricted cash and cash equivalents	6,352,211	95,329	-	2	6,447,542
Total assets	\$ 7,375,579	\$ 457,786	\$ -	\$ 2	\$ 7,833,367
Liabilities and fund balances					
Liabilities					
Due to other funds	\$ 10,890	\$ 22,826	\$ -	\$ -	\$ 33,716
Accounts payable	77,724	27,150	-	-	104,874
Payable to State government	-	22,432	-	-	22,432
Payroll deductions and withholdings payable	4,854	-	-	-	4,854
Unearned revenue	-	386,652	-	-	386,652
Unemployment compensation claims payable	16,022	-	-	-	16,022
Total liabilities	109,490	459,060	-	-	568,550

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Balance Sheet (continued)
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Liabilities and fund balances					
Fund balances					
Restricted fund balance					
Capital reserve	\$ 5,181,681	\$ -	\$ -	\$ -	\$ 5,181,681
Maintenance reserve	1,026,810	-	-	-	1,026,810
Student activities	-	95,329	-	-	95,329
Unemployment claims	123,109	-	-	-	123,109
Committed fund balance					
Year-end encumbrances	14,166	-	-	-	14,166
Assigned fund balance					
Debt service fund balance	-	-	-	2	2
Designated for subsequent year's expenditures	500,000	-	-	-	500,000
Unassigned fund balance	420,323	(96,603)	-	-	323,720
Total fund balances	<u>7,266,089</u>	<u>(1,274)</u>	<u>-</u>	<u>2</u>	<u>7,264,817</u>
 Total liabilities and fund balances	 <u><u>\$ 7,375,579</u></u>	 <u><u>\$ 457,786</u></u>	 <u><u>\$ -</u></u>	 <u><u>\$ 2</u></u>	

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

Capital assets used in government activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$78,902,113 and the accumulated depreciation is \$32,921,209.	45,980,904
Deferred outflows and inflows of resources are applicable to future periods and, therefore, are not reported in the funds.	1,137,262
Long-term liabilities, including bonds payable and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(24,611,674)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	<u>(201,146)</u>
Total net position of governmental activities	<u><u>\$ 29,570,163</u></u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Revenues					
Local sources					
Local tax levy	\$ 26,740,870	\$ -	\$ -	\$ 1,887,390	\$ 28,628,260
Tuition					
Other LEAs within the State	142,923	-	-	-	142,923
Interest	183,671	-	-	-	183,671
Rents and royalties	117,965	-	-	-	117,965
Miscellaneous	221,518	137,131	12	-	358,661
Total local sources	27,406,947	137,131	12	1,887,390	29,431,480
State sources	9,549,455	918,609	-	540,373	11,008,437
Federal sources	-	621,342	-	-	621,342
Total revenues	36,956,402	1,677,082	12	2,427,763	41,061,259
Expenditures					
Current					
Instructional					
Regular instruction	8,646,829	703,220	-	-	9,350,049
Special education instruction	1,146,474	99,668	-	-	1,246,142
Other special instruction	708,783	19,504	-	-	728,287
Other instruction	94,648	-	-	-	94,648
Support service & undistributed costs					
Tuition	433,783	347,172	-	-	780,955
Student & instruction related services	5,118,041	505,247	-	-	5,623,288
General & business administrative services	1,230,327	-	-	-	1,230,327
School administrative services	609,575	-	-	-	609,575
Plant operations & maintenance	2,942,094	6,945	-	-	2,949,039
Pupil transportation	1,997,203	-	-	-	1,997,203
Unallocated benefits	12,517,310	129,181	-	-	12,646,491

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)
For the Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Expenditures (cont'd)					
Capital outlay	\$ 1,109,195	\$ 138,114	\$ -	\$ -	\$ 1,247,309
Debt service					
Principal	-	-	-	1,450,000	1,450,000
Interest & other charges	89,009	-	-	453,146	542,155
Total expenditures	<u>36,643,271</u>	<u>1,949,051</u>	<u>-</u>	<u>1,903,146</u>	<u>40,495,468</u>
Excess (deficit) of revenues over (under) expenditures	<u>313,131</u>	<u>(271,969)</u>	<u>12</u>	<u>524,617</u>	<u>565,791</u>
Other financing sources (uses)					
Operating transfers in (out)	(1,136,925)	148,620	1,528,678	(540,373)	-
Total other financing sources (uses)	<u>(1,136,925)</u>	<u>148,620</u>	<u>1,528,678</u>	<u>(540,373)</u>	<u>-</u>
Net change in fund balance	(823,794)	(123,349)	1,528,690	(15,756)	565,791
Fund balances, July 1	<u>8,089,883</u>	<u>122,075</u>	<u>(1,528,690)</u>	<u>15,758</u>	<u>6,699,026</u>
Fund balances, June 30	<u>\$ 7,266,089</u>	<u>\$ (1,274)</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 7,264,817</u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Total net changes in fund balances - Governmental fund (from B-2)	\$ 565,791
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Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:

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

Capital outlays	\$ 1,247,309	
Depreciation expense	<u>(1,701,661)</u>	(454,352)

Repayment of debt principal and leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position and are not reported in the Statement of Activities:

Debt principal payments	1,450,000	
Lease payments	85,648	
Restructure of lease	<u>11,541</u>	1,547,189

Governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Amortization of bond premium	99,519
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In the Statement of Activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item.

6,548

In the Statement of Activities, deferred outflows and inflows from a refunding issue is amortized over the remaining life of the old or new debt, whichever is shorter.

(45,744)

CLINTON TOWNSHIP SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities (continued)
For the Fiscal Year Ended June 30, 2024

Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

\$ 885,698

In the Statement of Activities, compensated absences and early retirement benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.

(29,508)

Change in net position of governmental activities

\$ 2,575,141

CLINTON TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2024

	<u>Food Service Fund</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 110,844
Receivable from other Governments	
State	1,112
Federal	32,913
Accounts receivable - other	1,190
Inventory	13,353
Total current assets	<u>159,412</u>
Noncurrent assets	
Capital assets	519,539
Less: accumulated depreciation	<u>318,747</u>
Total noncurrent assets	<u>200,792</u>
Total assets	<u>360,204</u>
Liabilities	
Current liabilities	
Interfund payable	57,070
Unearned revenues - commodities	4,354
Unearned revenues - prepaid sales	13,580
Total liabilities	<u>75,004</u>
Net position	
Invested in capital assets, net of related debt	200,792
Unrestricted	84,408
Total net position	<u><u>\$ 285,200</u></u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2024

	Food Service Fund
Operating revenues	
Charges for services	
Daily sales - reimbursable programs	\$ 240,499
Daily sales - non-reimbursable programs	170,873
Total operating revenues	<u>411,372</u>
Operating expenses	
Cost of sales - reimbursable programs	123,985
Cost of sales - non-reimbursable programs	83,611
Commodity food costs	52,352
Salaries	184,747
Supports services - employee benefits	26,423
Purchased professional/technical services	4,164
Purchased property services	15,766
Other purchased services	
Insurance	27,399
Management fee	22,500
Supplies and materials	7,239
Depreciation	24,773
Total operating expenses	<u>572,959</u>
Operating income (loss)	<u>(161,587)</u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Position (continued)
For the Fiscal Year Ended June 30, 2024

	<u>Food Service Fund</u>
Non-operating revenues (expenses)	
State sources	
State school lunch program	\$ 6,033
State school breakfast program	69
Federal sources	
National school breakfast program	
Cash assistance	611
National school lunch program	
Cash assistance	96,678
Non-cash assistance (commodities)	52,352
Supply chain assistance	47,868
P-EBT administrative	653
Other sources	
Interest earned on investments	2,995
Miscellaneous	1,260
Total non-operating revenues (expenses)	<u>208,519</u>
Change in net position	46,932
Net position, beginning	<u>238,268</u>
Net position, ending	<u><u>\$ 285,200</u></u>

See accompanying notes to the financial statements.

CLINTON TOWNSHIP SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2024

	<u>Food Service Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 412,473
Payments to Food Service Management Company	(486,986)
Payments to employees	(8,944)
Payments to vendors (net)	(60,227)
Net cash provided by (used for) operating activities	<u>(143,684)</u>
Cash flows from non-capital financing activities	
State sources	5,368
Federal sources	250,396
Interfund receipts	(2,868)
Miscellaneous	1,260
Net cash provided by (used for) non-capital financing activities	<u>254,156</u>
Cash flows from capital financing activities	
Acquisition of equipment	(17,599)
Net cash provided by (used for) capital financing activities	<u>(17,599)</u>
Cash flows from investing activities	
Interest earned on investments	2,995
Net cash provided by (used for) investing activities	<u>2,995</u>
Net increase (decrease) in cash and cash equivalents	95,868
Cash and cash equivalents, beginning	<u>14,976</u>
Cash and cash equivalents, ending	<u><u>\$ 110,844</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities	
Operating income (loss)	\$ (161,587)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation	24,773
Federal food donation program	52,352
Increase (decrease) in accounts payable	(61,440)
(Increase) decrease in inventory	4,117
Increase (decrease) in deferred revenue	(1,899)
Net cash provided by (used for) operating activities	<u><u>\$ (143,684)</u></u>

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies

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

The Basic Financial Statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations.

Basic Financial Statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting entity

The District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the District is to educate students in Grades K-8. The District had an approximate enrollment at June 30, 2024 of 1,171 students.

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

1. The Organization is legally separate (can sue or be sued in their own name).
2. The District holds the corporate powers of the Organization.
3. The District appoints a voting majority of the Organization's board.
4. The District is able to impose its will on the Organization.
5. The Organization has the potential to impose a financial benefit/burden on the District.
6. There is a fiscal dependency by the Organization on the District.

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the Fund Financial Statements.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-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. Revenues are recorded when earned and expenses are recorded when a liability is 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 as soon as 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Property taxes, tuition 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. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, 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, and unrestricted state aids.

Proprietary funds distinguish operating revenues and expenses from non-operating 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.

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

The District reports the following major governmental funds:

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

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to current expense by Board Resolution.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

Special Revenue Fund - The District accounts for the proceeds of specific revenue sources from State and Federal Government (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes in the special revenue fund. As a result of implementing GASB Statement No. 84, *Fiduciary Activities*, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities. Amounts maintained for private purpose scholarship accounts are utilized for scholarship awards to qualifying students.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

Additionally, the District reports the following fund types:

Proprietary fund types

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Proprietary fund types (continued)

Enterprise Fund - The enterprise fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's enterprise fund is comprised of the food service fund.

All proprietary funds are accounted for on a current financial resource's measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation and amortization has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 years
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Fiduciary fund types

The District does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No. 84, *Fiduciary Activities*.

D. Budgets/budgetary control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office and, if necessary, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum Chart of Accounts referenced in N.J.A.C. 6:23-16.2(f)1. All budget amendments must be approved by School Board Resolution.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

D. Budgets/budgetary control (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 generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

E. Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the Balance Sheet as unearned revenues at fiscal year-end.

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

F. Tuition receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition payable

Tuition charges for the fiscal year 2023-2024 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

H. Short-term interfund receivable and payables

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

I. Inventories and prepaid items

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at Balance Sheet date is reported as unearned revenue as title does not pass to the school district until the commodities are used. Prepaid items in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

J. Capital assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated and amortization using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements & portable classroom	20 - 50
Land improvements	20
Leased assets	5
Furniture	20
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5 - 10
Computer equipment	5 - 10
Vehicles	8

K. Compensated absences

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

K. Compensated absences (continued)

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

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the Balance Sheet date for which a payment is probable. Salary related payments for the employer's share of Social Security and Medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

L. Unearned revenue

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

Unearned revenue in the enterprise fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-term obligations

In the government-wide financial statements and in internal service fund types in the Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the applicable Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

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 issuance are reported as other financing uses.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

N. Net position

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

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

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

O. Fund balances - governmental funds

In the Fund Financial Statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 1 - Summary of significant accounting policies (continued)

O. Fund balances - governmental funds (continued)

- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted general fund balance policy described below as unassigned:

When expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

P. Use of estimates

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

Q. Allocation of indirect expenses

Certain expenses, which have not been charged to a specific function in the District's Fund Financial Statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF Pension contributions, reimbursed TPAF Social Security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

R. Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has two items that qualifies for reporting in this category, deferred amount on pension activity and deferred amount on loss on refunding long-term debt. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount on pension activity.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 2 - Tax assessments and property taxes

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the Municipality, the Municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1, respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the Municipality (the collection agency) and are transmitted to the School District in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

Note 3 - Deposits and cash equivalents and investments

Cash and cash equivalents include petty cash, change funds, and cash in banks.

New Jersey Governmental Units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey Governmental Units. In addition, other state statutes permit investments in obligations issued by local authorities and other state agencies. The State of New Jersey does not place any limit on the amount that the District may invest with any one issuer.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 3 - Deposits, cash equivalents, and investments (continued)

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of Governmental Units. The statute requires that no Governmental Unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and saving banks the deposits of which are federally insured.

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk. New Jersey statutes require that cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Unit Deposit Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 40A:5-15.1(a) that are treated as cash equivalents. Under the act, the first \$250,000 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds, employee salary withholdings, or funds that may pass to the District relative to the happening of a future condition.

As of June 30, 2024, the District's bank balances were exposed to custodial credit risk as follows:

Insured by the FDIC	\$	250,000
Insured by GUDPA		8,095,844
Total bank balances	\$	<u>8,345,844</u>

Deposits at June 30, 2024 appear in the financial statements as summarized below:

	<u>Ref.</u>	
Unrestricted cash		
Governmental funds, Balance Sheet	B-1	\$ 214,874
Enterprise funds, Statement of Net Position	B-4	110,844
Restricted cash		
Governmental funds, Balance Sheet	B-1	6,447,542
Total cash		<u>\$ 6,773,260</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 4,996,634	\$ -	\$ -	\$ 4,996,634
Construction in progress	-	731,781	-	731,781
Total	4,996,634	731,781	-	5,728,415
Capital assets, being depreciated				
Land improvements	1,618,087	197,442	-	1,815,529
Building & improvements	68,628,407	173,115	-	68,801,522
Furniture & equipment	2,235,582	144,971	3,923	2,376,630
Vehicles	180,017	-	-	180,017
Total	72,662,093	515,528	3,923	73,173,698
Accumulated depreciation				
Land improvements	1,241,287	46,966	-	1,288,253
Building & improvements	28,311,887	1,553,119	-	29,865,006
Furniture & equipment	1,528,346	92,699	3,923	1,617,122
Vehicles	141,951	8,877	-	150,828
Total	31,223,471	1,701,661	3,923	32,921,209
Total capital assets, being depreciated, net	41,438,622	(1,186,133)	-	40,252,489
Governmental activities capital assets, net	\$ 46,435,256	\$ (454,352)	\$ -	\$ 45,980,904
Business type activities				
Furniture & equipment	\$ 501,940	\$ 17,599	\$ -	\$ 519,539
Less: accumulated depreciation	293,974	24,773	-	318,747
Business type activities capital assets, net	\$ 207,966	\$ (7,714)	\$ -	\$ 200,792

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 4 - Capital assets (continued)

Depreciation expense were charged to governmental functions in the current year as follows:

Instruction	
Regular	\$ 829,237
Special education	110,518
Other special instruction	64,590
Other instruction	8,394
Support services	
Student & instruction	498,718
General & business administration	109,115
School administration	54,062
Plant maintenance	18,150
Transportation	8,877
Total depreciation expense, governmental activities	<u>\$ 1,701,661</u>

Note 5 - Long-term debt

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
General obligation bonds payable	\$ 19,564,000	\$ -	\$ 1,450,000	\$ 18,114,000	\$ 1,585,000
Bond premium	165,926	-	99,519	66,407	66,407
Compensated absences payable	916,138	29,508	-	945,646	-
Capital leases payable	261,209	-	97,189	164,020	77,592
PERS net pension liability	5,227,557	94,044	-	5,321,601	-
Total governmental activities long-term liabilities	<u>\$ 26,134,830</u>	<u>\$ 123,552</u>	<u>\$ 1,646,708</u>	<u>\$ 24,611,674</u>	<u>\$ 1,728,999</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2024, including interest payments are listed as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,585,000	\$ 437,240	\$ 2,022,240
2026	1,614,000	415,348	2,029,348
2027	1,646,000	393,008	2,039,008
2028	1,678,000	370,153	2,048,153
2029	1,706,000	346,847	2,052,847
2030-2034	9,885,000	1,111,389	10,996,389
Total	<u>\$ 18,114,000</u>	<u>\$ 3,073,985</u>	<u>\$ 21,187,985</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 5 - Long-term debt (continued)

General Obligation Bonds - General obligation school building bonds payable at June 30, 2024, with their outstanding balances are comprised of the following individual issues:

\$8,680,000 - 2015 refunding general obligation bonds, due in annual installments, beginning January 15, 2016, through January 15, 2034, interest at 2.00% to 4.00%.	\$ 8,355,000
\$10,409,000 - 2021 refunding general obligation bonds, due in annual installments, beginning January 15, 2022, through January 15, 2030, interest at 1.35%.	9,759,000
Total	<u>\$ 18,114,000</u>

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2024 is \$72,667,492. General obligation debt at June 30, 2024 is \$18,114,000, resulting in a legal debt margin of \$52,553,492.

Leases payable

The annual requirements to amortize all leases outstanding as of June 30, 2024, including interest payments are listed as follows:

<u>Governmental activities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 77,592	\$ 10,415	\$ 88,007
2026	82,753	5,254	88,007
2027	3,675	19	3,694
Total	<u>\$ 164,020</u>	<u>\$ 15,688</u>	<u>\$ 179,708</u>

Leases payable - Leases payable at June 30, 2024, with their outstanding balances are comprised of the following:

\$100,030 - 2021 lease, interest at 4.11%, due in monthly installments beginning September 3, 2021 to August 3, 2026.	\$ 45,881
\$262,896 - 2023 lease, interest at 1.68%, due in annual installments beginning October 1, 2023 to June 1, 2026.	118,139
Total	<u>\$ 164,020</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans

Description of systems

Substantially all of the Board's employees participate in one of the following defined benefit public employee retirement systems which have been established by state statute: The Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS) and the Defined Contribution Retirement Program (DCRP). The PERS and TPAF systems are sponsored and administered by the State of New Jersey. The DCRP system is administered by Empower for the Division of Pensions and Benefits. The TPAF retirement system is considered a multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers.

A. Public Employees' Retirement System (PERS)

Plan description

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

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All pension benefits vest after 10 years of service.

The following represents the membership tiers for PERS:

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

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Allocation methodology and reconciliation to financial statements

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources, and collective pension expense. The employer and nonemployer allocation percentages presented in the Schedule of Employer and Nonemployer Allocations and applied to amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer are based on the ratio of the contributions of an individual employer to the total contributions to PERS during the measurement period July 1, 2022 through June 30, 2023. Employer and nonemployer allocation percentages have been rounded for presentation purposes; therefore, amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer may result in immaterial differences. Contributions from employers are recognized when due, based on statutory requirements.

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the 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 excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the state and local groups of the Plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the Schedule of Employer and Nonemployer Allocations are applied to amounts presented in the Schedule of Pension Amounts by Employer and Nonemployer. The allocation percentages for each group as of June 30, 2023 measurement date 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 measurement date.

Contributions

The contribution policy for PERS is set by N.J.S.A 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for non-contributory group insurance benefits is based on actual claims paid. For State fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Contributions (continued)

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

The District's contractually required contribution rate for the year ended June 30, 2024 was 16.58% of the District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Special funding situation

Under N.J.S.A. 43:15A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed that legally obligated the State if certain circumstances occurred. The legislation, which legally obligates the State, is Chapter 366, P.L. 2001 and Chapter 133, P.L. 2001. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers related to this legislation. However, the Notes to the Financial Statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

A. Public Employee's Retirement System (PERS) (continued)

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for PERS as of the measurement date of June 30, 2023:

Net pension liability	\$	5,321,601
Proportionate share		0.0367402907%

Plan fiduciary net position as a percentage of the total pension liability	65.23%
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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:

Inflation rate

Price	2.75%
Wage	3.25%

Salary increases (based on years of service)	2.75 - 6.55%
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Investment rate of return	7.00%
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Preretirement 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 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.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Long-term expected rate of return

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023 measurement date) 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 the Actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocations as of June 30, 2023 measurement date are summarized in the following table:

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

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of 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 projected benefit payments and the municipal bond rate was applied to all projected benefit payments to determine the total pension liability.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2023 measurement date, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$	5,321,601
At a 1% lower rate (6.00%)		6,985,998
At a 1% higher rate (8.00%)		3,988,031

Collective deferred outflows of resources and deferred inflows of resources

At the June 30, 2023 measurement date, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 50,881	\$ 21,753
Changes of assumptions	11,690	322,512
Net difference between projected and actual earnings on pension plan investments	24,507	-
Changes in proportion and differences between district contributions and proportionate share of contributions	1,127,429	452,743
District contributions subsequent to the measurement date	491,044	-
Total	<u>\$ 1,705,551</u>	<u>\$ 797,008</u>

The amount reported as deferred outflows of resources related to pensions resulting from School District contributions subsequent to the measurement date (i.e., for the school year ended June 30, 2024, the Plan measurement date is June 30, 2023) of \$491,044 will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Collective deferred outflows of resources and deferred inflows of resources (continued)

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the fiscal year ended June 30, 2023 measurement date:

	Beginning Balance	Net Change in Activity	Ending Balance
Deferred outflows of resources			
Differences between expected and actual experience	\$ 37,730	\$ 13,151	\$ 50,881
Changes of assumptions	16,197	(4,507)	11,690
Differences between expected and actual experience	216,364	(191,857)	24,507
Deferred inflows of resources			
Differences between expected and actual experience	(33,273)	11,520	(21,753)
Changes of assumptions	(782,772)	460,260	(322,512)
Difference between projected and actual earnings on pension plan investments	-	-	-
Net changes	<u>\$ (545,754)</u>	<u>\$ 288,567</u>	<u>\$ (257,187)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense (benefit) as follows:

Fiscal Year Ended June 30,

2024	\$ (280,961)
2025	(156,822)
2026	219,148
2027	(39,219)
2028	667
Total	<u>\$ (257,187)</u>

Changes in proportion

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.04, 5.13, 5.16, 5.21, and 5.63 years for the 2023, 2022, 2021, 2020, 2019, and 2018, respectively.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

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

Pension expense (benefit)

For the fiscal year ended June 30, 2024, the District recognized net pension expense (benefit) of \$42,164, which represents the District's proportionate share of allocable plan pension expense of (\$53,639), plus the net amortization of deferred amounts from changes in proportion of \$150,028, and plus other adjustments to the net pension liability of (\$54,225). The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the year ended June 30, 2023 measurement date are as follows:

Service cost	\$ 445,180
Interest on total pension liability	1,681,212
Benefit changes	-
Member contributions	(359,038)
Administrative expense	7,856
Expected investment return net of investment expense	(990,992)
Pension expense related to specific liabilities of individual employers	(6,616)
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	29,022
Changes of assumptions	(811,819)
Difference between projected and actual investment earnings on pension plan investments	(48,444)
Pension expense (benefit)	<u>\$ (53,639)</u>

B. Teacher's Pension and Annuity Fund (TPAF)

Plan description

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

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)
B. Teacher's Pension and Annuity Fund (TPAF) (continued)
Plan description (continued)

The following represents the membership tiers for TPAF:

Tier	Member Eligibility
1	Enrolled prior to July 1, 2007
2	Enrolled on or after July 1, 2007 and prior to November 2, 2008
3	Enrolled on or after November 2, 2008 and prior to May 22, 2010
4	Enrolled on or after May 22, 2010 and prior to June 28, 2011
5	Enrolled on or after June 28, 2011

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

Contributions

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

Special funding situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows of resources or deferred inflows of resources to report in the financial statements of the local participating employers. However, the Notes to the Financial Statements of the local participating employers must disclose the portion of the non-employer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Special funding situation (continued)

During the State fiscal year ended June 30, 2023, the State of New Jersey contributed \$4,445,601 to the TPAF for normal pension benefits on behalf of the District.

The contribution rate was 7.50% of base salary effective July 1, 2018.

Collective net pension liability and actuarial information

The District's proportionate share of the net pension liability for TPAF for fiscal year ended June 30, 2023 measurement date is as follows:

District proportionate share of net pension liability	\$ 83,352,393
Less: State proportionate share of net pension liability	28,902,881
Net pension liability	<u>\$ 54,449,512</u>

Proportionate share	0.1066954027%
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Plan fiduciary net position as a percentage of the total pension liability	34.68%
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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 (based on years of service)	2.75 - 5.65%
Investment rate of return	7.00%

Preretirement 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.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Long-term expected rate of return

In accordance with state statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023 measurement date) 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 the Actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2023 measurement date are summarized in the following table:

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

Discount rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be based on 100% of 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 projected benefit payments and the Municipal Bond rate was applied to all projected benefit payments to determine the total pension liability.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

B. Teacher's Pension and Annuity Fund (TPAF) (continued)

Sensitivity of the collective net pension liability to changes in the discount rate

The following presents the collective net pension liability of the District as of June 30, 2023 measurement date, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

District's proportionate share of the net pension liability

At current discount rate (7.00%)	\$ 54,449,512
At a 1% lower rate (6.00%)	64,205,856
At a 1% higher rate (8.00%)	46,232,352

Pension expense (benefit)

The components of allocable pension expense (benefit), which exclude pension expense (benefit) related to specific liabilities of individual employers, for the District for the year ended June 30, 2023 measurement date are as follows:

Service cost	\$ 1,453,424
Interest on total pension liability	5,613,245
Benefits change	-
Member contributions	(993,998)
Administrative expense	14,469
Expected investment return net of investment expense	(1,815,325)
Pension expense related to specific liabilities of individual employers	(479)
Recognition (amortization) of deferred inflows/outflows of resources	
Differences between projected and actual experience	208,553
Changes of assumptions	(3,248,190)
Difference between projected and actual investment earnings on pension plan investments	105,967
Pension expense (benefit)	<u>\$ 1,337,666</u>

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch. 92, PL 2007 and expanded under the provisions of Ch. 89, PL 2008 and Ch. 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$9,300 in 2024) but who earn salary of at least \$5,000 annually are eligible to participate. The Program Administrator, Empower, makes information regarding the program available on its New Jersey Defined Contribution Program website: njplans.empower-retirement.com.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 6 - Pension plans (continued)

C. Defined Contribution Retirement Program

Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. The District's contribution to the DCRP for fiscal year ended June 30, 2024 was \$14,974.

D. Other pension plan information

During the year ended June 30, 2024, the State of New Jersey contributed \$1,199,401 to the TPAF for postretirement medical benefits, \$49,692 for non-contributory insurance premiums, \$1,628 for long-term disability insurance, and \$4,357,224 for normal costs and accrued liability costs on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$925,149 during the year ended June 30, 2024 for the employer's share of Social Security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB Statement No. 68.

Note 7 - Postretirement benefits

The State Health Benefit State Retired Employees Plan (State Retired OPEB Plan) is a single-employer defined benefit OPEB plan with a special funding situation. The State Retired OPEB Plan is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pensions*. The State Retired OPEB Plan is treated as a cost-sharing multiple employer plan with a special funding situation for allocating the total OPEB liability and related OPEB amounts since each employer mentioned above is required to issue stand-alone financial statements. The State Retired OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and the covered dependents of the employees. The State also offers dental care to retirees, however, since dental benefits are completely paid for by the retirees, there is no OPEB liability for these benefits. In fiscal year 2022, the State paid OPEB benefits for 161,238 State and local retirees.

In accordance with N.J.S.A. 52:14-17.32, the State is required to pay the premiums or periodic charges for health benefits of State employees who retire with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: the Judicial Retirement System (JRS), the State Police Retirement System (SPRS), the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS), the Police and Firemen's Retirement System (PFRS), and the Alternate Benefit Program (ABP).

The employer contributions for the participating local education employers are legally required to be funded by the State in accordance with N.J.S.A. 52:14-17.32f. According to this law, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in, or retires on a disability pension from, one or more of the following plans: TPAF, PERS, PFRS, or ABP.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

Pursuant to P.L.2011, c.78, future retirees eligible for postemployment 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 is legally required to pay for the OPEB benefit coverage for the participating local education employers. Therefore, these employers are considered to be in a special funding situation as defined by GASB Statement No. 75 and the State is treated as a non-employer contributing entity. The State, as a non-employer contributing entity, reported a fiscal year 2023 total OPEB liability of \$52,361,668,239 for this special funding situation.

Additional information on Pensions and OPEB can be accessed at <https://www.state.nj.us/treasury/taxation/payments-notice.shtml>.

Total OPEB liability

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

Under a special funding situation, the State, a non-employer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Therefore, the following OPEB liability note information is reported at the State's level and is not accrued by the District.

For purposes of reporting required GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the District's proportionate share of allocable OPEB liability and employer OPEB expense and related revenue as of June 30, 2023 measurement date is as follows:

State's proportionate share of the OPEB liability	\$ 52,361,668,239
District's proportionate share of the State's OPEB liability	56,066,310
Employer OPEB expense and related revenue	1,657,784
Allocable proportionate percentage	0.1070751026%

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)
Changes in the total OPEB liability

	<u>Total OPEB Liability</u>
Total OPEB liability at June 30, 2022	\$ 53,414,376
Service cost	2,351,628
Interest cost	1,974,587
Differences between expected and actual experiences	(298,666)
Changes of assumptions	113,006
Member contributions	50,602
Gross benefit payments	(1,539,223)
Total OPEB liability at June 30, 2023	<u>\$ 56,066,310</u>

There were no changes of the benefit terms from June 30, 2022 to June 30, 2023.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.54% as of the June 30, 2022 Plan measurement date to 3.65% as of the June 30, 2023 Plan measurement date.

The total non-employer OPEB liability as of June 30, 2023 was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	<u>TPAF</u>	<u>PERS</u>
	(based on years of service)	(based on years of service)
Salary increases	2.75% - 4.25%	2.75% - 6.55%

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

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

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (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 PPO, the trend is increasing to 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% 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.

Sensitivity of the total OPEB liability to changes in the discount rates

The following presents the total non-employer OPEB liability as of June 30, 2023 measurement date, using the District's allocable proportionate percentage, calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Total OPEB liability (school retirees)

At current discount rate (3.65%)	\$ 56,066,310
At a 1% lower rate (2.65%)	65,728,123
At a 1% higher rate (4.65%)	48,308,996

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

The following presents the total non-employer OPEB liability, as well as what the total non-employer OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower or 1% point higher than the current healthcare cost trend rates:

Total OPEB liability (school retirees)

Healthcare cost trend rate	\$ 56,066,310
At a 1% lower rate (1% decrease)	46,543,681
At a 1% higher rate (1% increase)	68,526,694

OPEB expense and deferred outflows and inflows of resources related to OPEB

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$1,657,784 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 and in which there is a special funding situation.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 7 - Postretirement benefits (continued)

OPEB expense and deferred outflows and inflows of resources related to OPEB (continued)

In accordance with GASB Statement No. 75, the District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources.

Note 8 - Deferred compensation

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

Lincoln National
 Equitable
 VALIC
 Legend Group

Note 9 - Contingent liabilities

Amounts received, or are receivables, from grantor agencies could be subject to audit and adjusted by grantor agencies. Any disallowed claims, including amounts already collected, may result in a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the Grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

Note 10 - Interfund receivables and payables

The balance due from the special revenue fund to the general fund of \$22,826 represents a loan as a result of cash flow issues relating to the delayed receipt of grant revenues. The food service payable due to the general fund of \$59,938 is related to funds for a prior year open payable balance. The food service receivable of \$2,868 represents interest due back to the food service from the general fund.

	Receivable	Payable
General fund	\$ 82,764	\$ 10,890
Special revenue fund	8,022	22,826
Food service fund	2,868	59,938
Total	<u>\$ 93,654</u>	<u>\$ 93,654</u>

Note 11 - Inventory

Inventory in the food service fund as of June 30, 2024 consisted of the following:

Food	\$ 7,746
Supplies	5,607
Total	<u>\$ 13,353</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 12 - Risk management

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete Schedule of Insurance Coverage can be found in the Statistical Section of the Annual Comprehensive Financial Report.

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the Benefit Reimbursement Method. Under this plan, the District is required to reimburse the NJ 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, and interest earnings, employee contributions, reimbursements to the state for benefits paid and the ending balance available for claims for the District's unemployment compensation insurance fund:

<u>Fiscal Year</u>	<u>Board Contrib.</u>	<u>Interest Earnings</u>	<u>Employee Contrib.</u>	<u>Amount Reimbursed</u>	<u>Ending Balance Available for Claims</u>
2023 - 2024	\$ -	\$ 38	\$ 53,584	\$ 37,562	\$ 139,131
2022 - 2023	-	1,168	20,431	3,802	123,071
2021 - 2022	-	-	29,335	-	105,274

Note 13 - Reserve accounts

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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. 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 13 - Reserve accounts (continued)

Districts are allowed as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit to the reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. The following schedule is a summarization of the reserve accounts for the current year:

Reserve Type	Beginning Balance	District Contrib.	Interest Earnings	Return Unused Withdrawal	Withdrawal	Ending Balance
Capital	\$ 4,803,482	\$1,500,000	\$ -	\$ 2,170,984	\$ 3,292,785	\$ 5,181,681
Maintenance	700,000	726,910	-	-	400,100	1,026,810
Total	<u>\$ 5,503,482</u>	<u>\$2,226,910</u>	<u>\$ -</u>	<u>\$ 2,170,984</u>	<u>\$ 3,692,885</u>	<u>\$ 6,208,491</u>

Note 14 - Fund balances

As described in Note 1 (O), fund balance may be restricted, committed or assigned. An analysis of the general fund balance on June 30, 2024 is as follows:

Restricted

Capital reserve account - represents funds restricted to capital projects in the District's long-range facilities plan. \$ 5,181,681

Maintenance reserve account - represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A.18A:76-9). 1,026,810

Unemployment - represents funds accumulated for future unemployment claims. 123,109

Committed

Year-end encumbrance - represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30. 14,166

Assigned Fund Balance

Designated for subsequent year's expenditures - represents amount appropriated in the succeeding year's budget to reduce tax requirements. 500,000

Unassigned

Undesignated - represents fund balance which has not been restricted or designated. 661,495

Total fund balance - budgetary basis (Exhibit C-1) 7,507,261

Last state aid payments not recognized on GAAP basis (241,172)

Total fund balance - GAAP basis (Exhibit B-1) \$ 7,266,089

Note 15 - Calculation of excess surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by PL 2004, Ch. 73 (S1701), the designation for Reserved Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$0.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Financial Statements

Note 16 - Deficit balance in unrestricted net position

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2024 of (\$4,559,652) on Schedule A-1 Statement of Net Position. The deficit balance is the result of reporting required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the state.

Note 17 - Deficit unassigned fund balance in the special revenue fund

The District has a deficit unassigned fund balance of (\$96,603) in the special revenue fund as of June 30, 2024 as reported in the fund statements. PL 2005, Chapter 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For inter-governmental transactions, GASB Statement No. 33 requires the recognition (revenue, expenditure, asset and liability) should be in symmetry, (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State is recording the last state aid payment in the subsequent fiscal year, the School District cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the special revenue fund balance deficit does not alone indicate that the District is facing financial difficulties.

Note 18 - Recent accounting pronouncements not yet effective

The following is of recent accounting pronouncements which are not yet effective as of the year-end date of this report.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This statement is effective for reporting periods beginning after December 15, 2023. The District is evaluating the effect of the pronouncement on financial reporting.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This statement is effective for reporting periods beginning after June 15, 2024. The District is evaluating the effect of the pronouncement on financial reporting.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement is effective for reporting periods beginning after June 15, 2025. The District is evaluating the effect of the pronouncement on financial reporting.

Note 19 - Subsequent events

After the year ending June 30, 2024, the District is anticipating a bond refunding of \$7,840,000 to liquidate a portion of the refunding school bond of 2015.

The District has evaluated subsequent events through December 5, 2024, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited				Variance
	Original	Budget	Final		Final
	Budget	Transfers	Budget	Actual	to Actual
Revenue					
Local sources					
Local tax levy	\$ 26,740,870	\$ -	\$ 26,740,870	\$ 26,740,870	\$ -
Tuition from individuals	70,000	-	70,000	-	(70,000)
Tuition from other LEAs within the state	14,554	-	14,554	142,923	128,369
Rents and royalties	90,000	-	90,000	117,965	27,965
Unrestricted miscellaneous revenues	98,446	-	98,446	405,151	306,705
Interest earned on maintenance reserve	2,000	-	2,000	-	(2,000)
Other restricted miscellaneous revenues	-	-	-	38	38
Total	27,015,870	-	27,015,870	27,406,947	391,077
State sources					
School choice aid	43,821	-	43,821	43,821	-
Categorical transportation aid	856,058	-	856,058	856,058	-
Extraordinary aid	875,000	-	875,000	763,882	(111,118)
Categorical special education aid	1,257,444	-	1,257,444	1,257,444	-
Categorical security aid	112,897	-	112,897	112,897	-
Other state aid	-	-	-	36,400	36,400
TPAF Pension (on-behalf)	-	-	-	4,357,224	4,357,224
TPAF Non-contributory insurance	-	-	-	49,692	49,692
TPAF Social Security (reimbursed)	-	-	-	925,149	925,149
TPAF Postretirement benefits	-	-	-	1,199,401	1,199,401
TPAF Long-term disability insurance	-	-	-	1,628	1,628
Total	3,145,220	-	3,145,220	9,603,596	6,458,376
Total revenues	\$ 30,161,090	\$ -	\$ 30,161,090	\$ 37,010,543	\$ 6,849,453
Expenditures					
Current					
Instruction - regular program					
Salaries of Teachers					
Preschool	\$ 149,460	\$ (149,460)	\$ -	\$ -	\$ -
Kindergarten	763,181	(1,366)	761,815	671,519	90,296
Grades 1-5	4,204,127	(104,265)	4,099,862	4,029,891	69,971
Grades 6-8	3,166,166	75,165	3,241,331	3,183,614	57,717
Home instruction					
Salaries of Teacher	16,000	(840)	15,160	225	14,935
Purchased professional - educational services	9,110	10,000	19,110	8,043	11,067
Regular programs - undistributed instruction					
Other salaries for instruction	96,151	-	96,151	75,397	20,754
Purchased professional - educational services	5,250	-	5,250	250	5,000
Purchased technical services	91,842	5,000	96,842	85,896	10,946
Other purchased services	315,812	1,791	317,603	277,854	39,749
General supplies	385,007	8,580	393,587	308,078	85,509
Other objects	6,600	160	6,760	6,062	698
Total	9,208,706	(155,235)	9,053,471	8,646,829	406,642
Special education					
Learning and/or language disabilities					
Salaries of teachers	144,745	(6,745)	138,000	76,360	61,640
Other salaries for instruction	700	-	700	700	-
Other purchased services	2,120	(1,060)	1,060	-	1,060
General supplies	1,850	-	1,850	317	1,533
Total	149,415	(7,805)	141,610	77,377	64,233

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Variance
	Original	Budget	Final	Final
	Budget	Transfers	Budget	to Actual
			Actual	
Multiple disabilities				
Salaries of Teachers	\$ 244,180	\$ (38,975)	\$ 205,205	\$ -
Other purchased services	2,120	(2,120)	-	-
General supplies	2,100	-	1,572	528
Total	248,400	(41,095)	207,305	528
Resource room/resource center				
Salaries of Teachers	718,768	(79,006)	639,762	36,669
Other salaries for instruction	22,800	(13,820)	8,980	-
Other purchased services	5,180	100	2,269	3,011
General supplies	10,985	(1,390)	9,595	1,390
Textbooks	300	(100)	200	200
Total	758,033	(94,216)	663,817	41,270
Autism				
Salaries of teachers	164,000	(8,801)	155,199	3,840
Other salaries for instruction	1,400	-	1,400	350
Other purchased services	2,120	(100)	2,020	2,020
General supplies	1,725	3,750	5,475	787
Total	169,245	(5,151)	164,094	6,997
Preschool disabilities - full-time				
Salaries of teachers	92,870	(8,716)	84,154	5,125
Total	92,870	(8,716)	84,154	5,125
Home instruction				
Salaries of teachers	4,065	840	4,905	1,258
Total	4,065	840	4,905	1,258
Total special education	1,422,028	(156,143)	1,265,885	119,411
Basic skills/remedial				
Salaries of teachers	864,475	(95,801)	768,674	64,731
Other purchased services	1,550	1,205	2,755	1,239
General supplies	14,205	(3,400)	10,805	7,481
Total	880,230	(97,996)	782,234	73,451
School-sponsored co/extra curricular activities - instruction				
Salaries	43,581	-	43,581	13,105
Purchased services	2,400	180	2,580	1,455
Supplies and materials	2,600	-	2,600	1,260
Total	48,581	180	48,761	15,820
School-sponsored athletics - instruction				
Salaries	68,542	-	68,542	12,658
Purchased services	10,000	-	10,000	10,000
Supplies and materials	5,890	-	5,890	67
Other objects	450	-	450	450
Total	84,882	-	84,882	23,175
Total instruction regular	\$ 11,644,427	\$ (409,194)	\$ 11,235,233	\$ 638,499

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Variance
	Original Budget	Budget Transfers	Final Budget	Final to Actual
Undistributed expenditures				
Undistributed expenditures - instruction				
Tuition to other LEAs within the state - special	\$ -	\$ 174,853	\$ 174,853	\$ 72,977
Tuition to priv. school for the disabled w/i state	381,859	-	381,859	316,240
Tuition - other	-	44,566	44,566	44,566
Total	381,859	219,419	601,278	433,783
Undistributed expenditures - attendance & social work				
Salaries	197,086	(1,086)	196,000	164,863
Other purchased services	1,395	-	1,395	1,383
Supplies and materials	9,360	-	9,360	3,985
Total	207,841	(1,086)	206,755	170,231
Undistributed expenditures - health services				
Salaries	285,803	(15,031)	270,772	239,041
Purchased professional and technical services	4,535	15,023	19,558	17,558
Other purchased services	4,165	-	4,165	2,706
Supplies and materials	19,454	-	19,454	9,229
Total	313,957	(8)	313,949	268,534
Undistributed expenditures - speech, ot, pt & related services				
Salaries	403,770	(4,568)	399,202	393,338
Purchased professional - educational services	547,586	22,398	569,984	449,189
Supplies and materials	5,139	(1,000)	4,139	1,281
Total	956,495	16,830	973,325	843,808
Undistributed expenditures - other supp. service stds. - extra service				
Salaries	1,085,957	(49,774)	1,036,183	1,009,486
Purchased professional - educational services	56,000	(14,570)	41,430	-
Other objects	-	149,530	149,530	52,381
Total	1,141,957	85,186	1,227,143	1,061,867
Undistributed expenditures - guidance				
Salaries of other Professional Staff	430,661	80,929	511,590	509,283
Salaries of Secretarial and Clerical Assistants	8,050	-	8,050	8,049
Other purchased services	3,625	-	3,625	3,620
Supplies and materials	1,100	-	1,100	769
Total	443,436	80,929	524,365	521,721
Undistributed expenditures - child study teams				
Salaries of other Professional Staff	901,481	(27,797)	873,684	870,077
Salaries of Secretarial and Clerical Assistants	96,760	-	96,760	94,958
Purchased professional - educational services	22,000	4,920	26,920	14,419
Other purchased services	51,298	-	51,298	34,677
Supplies and materials	5,400	902	6,302	6,164
Other objects	3,800	(902)	2,898	2,115
Total	1,080,739	(22,877)	1,057,862	1,022,410
Undistributed expenditures - improvement of inst. service				
Salaries of Supervisor of Instruction	241,973	-	241,973	241,250
Salaries of other Professional Staff	249,708	(433)	249,275	222,385
Salaries of Secretarial & Clerical Assist	29,986	94	30,080	28,874
Salaries of facilitators, math & literacy coaches	-	34,575	34,575	34,575
Other purchased services	5,950	-	5,950	1,340
Supplies and materials	2,000	-	2,000	1,178
Other objects	6,980	-	6,980	3,827
Total	536,597	34,236	570,833	533,429

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited				Variance
	Original	Budget	Final		Final
	Budget	Transfers	Budget	Actual	to Actual
Undistributed expenditures - edu. media service/sch. library					
Salaries	\$ 304,710	\$ 7,677	\$ 312,387	\$ 311,956	\$ 431
Salaries of technology coordinators	205,620	-	205,620	193,500	12,120
Purchased professional and technical services	20,000	24,277	44,277	39,229	5,048
Other purchased services	14,670	-	14,670	5,064	9,606
Supplies and materials	13,542	(1,800)	11,742	10,902	840
Total	558,542	30,154	588,696	560,651	28,045
Undistributed expenditures - instructional staff training services					
Salaries of supervisor of instruction	96,715	-	96,715	96,674	41
Salaries of other Professional Staff	6,816	-	6,816	880	5,936
Salaries of secretarial & clerical assist.	16,068	-	16,068	15,758	310
Purchased professional - educational services	21,268	-	21,268	7,780	13,488
Other purchased services	27,500	-	27,500	14,298	13,202
Supplies and materials	1,500	-	1,500	-	1,500
Total	169,867	-	169,867	135,390	34,477
Undistributed expend. - support service - general admin.					
Salaries	250,596	17,136	267,732	265,132	2,600
Legal services	143,986	(3,061)	140,925	99,382	41,543
Audit fees	38,500	-	38,500	35,000	3,500
Architectural/engineering services	46,000	3,300	49,300	49,200	100
Other purchased professional services	31,035	(100)	30,935	27,538	3,397
Communications/telephone	87,790	6,633	94,423	78,428	15,995
BOE other purchased services	22,010	-	22,010	18,258	3,752
Miscellaneous purch services	77,100	(7,500)	69,600	56,671	12,929
General supplies	2,450	-	2,450	1,783	667
BOE in-house training/meeting supplies	4,870	-	4,870	2,371	2,499
Miscellaneous expenditures	9,550	-	9,550	8,051	1,499
BOE membership dues and fees	12,800	-	12,800	12,664	136
Total	726,687	16,408	743,095	654,478	88,617
Undistributed expend. - support service - school admin.					
Salaries of Principals/Assistant Principals	314,349	5,354	319,703	318,824	879
Salaries of Secretarial and Clerical Assistants	234,124	(126)	233,998	224,042	9,956
Purchased professional and technical services	6,000	-	6,000	3,000	3,000
Other purchased services	31,560	(13)	31,547	20,484	11,063
Supplies and materials	12,525	(190)	12,335	5,214	7,121
Other objects	10,964	-	10,964	7,488	3,476
Total	609,522	5,025	614,547	579,052	35,495
Undistributed expenditures - central services					
Salaries	438,985	(13,837)	425,148	411,880	13,268
Purchased professional services	6,000	-	6,000	1,400	4,600
Purchased technical services	112,732	567	113,299	92,259	21,040
Miscellaneous purchased services	15,775	3,000	18,775	12,947	5,828
Supplies and materials	10,900	(5,000)	5,900	2,464	3,436
Interest on bond anticipation notes (bans)	53,010	-	53,010	53,009	1
Other objects	2,810	-	2,810	1,890	920
Total	640,212	(15,270)	624,942	575,849	49,093
Undistributed expenditures - admin. info. technology					
Salaries	4,000	700	4,700	4,700	-
Purchased technical services	20,000	3,419	23,419	22,288	1,131
Other purchased services	3,400	(619)	2,781	2,492	289
Supplies and materials	1,000	44	1,044	1,043	1
Total	28,400	3,544	31,944	30,523	1,421

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited				Variance
	Original	Budget	Final		Final
	Budget	Transfers	Budget	Actual	to Actual
Undistributed expenditures - required maint. for school facilities					
Salaries	\$ 302,442	\$ 1,605	\$ 304,047	\$ 283,292	\$ 20,755
Cleaning, repair, and maintenance services	795,730	(234,169)	561,561	494,162	67,399
General supplies	90,400	-	90,400	68,021	22,379
Other objects	375	50	425	425	-
Total	1,188,947	(232,514)	956,433	845,900	110,533
Undistributed expenditures - custodial services					
Salaries	841,466	12,384	853,850	823,752	30,098
Salaries of non-instructional aides	136,220	6,687	142,907	117,977	24,930
Purchased professional and technical services	10,500	7,930	18,430	16,780	1,650
Cleaning, repair, and maintenance service	37,500	-	37,500	35,632	1,868
Other purchased property services	30,750	3,315	34,065	33,495	570
Insurance	227,925	(75)	227,850	220,702	7,148
General supplies	65,625	-	65,625	62,884	2,741
Energy (natural gas)	340,000	(1,537)	338,463	210,975	127,488
Energy (electricity)	375,000	-	375,000	357,961	17,039
Energy (gasoline)	6,000	676	6,676	6,676	-
Other objects	1,700	(86)	1,614	240	1,374
Total	2,072,686	29,294	2,101,980	1,887,074	214,906
Undistributed expenditures - care and upkeep of grounds					
Salaries	26,331	-	26,331	26,279	52
Cleaning, repair, and maintenance service	73,750	-	73,750	51,285	22,465
General supplies	26,950	-	26,950	10,744	16,206
Total	127,031	-	127,031	88,308	38,723
Undistributed expenditures - security					
Purchased professional and technical services	156,300	7,500	163,800	115,932	47,868
Cleaning, repair, and maintenance service	9,800	(1,775)	8,025	1,944	6,081
General supplies	4,400	-	4,400	2,936	1,464
Total	170,500	5,725	176,225	120,812	55,413
Undistributed expenditures - student transportation service					
Salaries of non-instructional aides	-	58	58	58	-
Salaries for pupil trans (between home & school) - reg.	18,912	-	18,912	18,894	18
Salaries for pupil trans (between home & school) - sp ed	9,457	-	9,457	9,447	10
Management fee - ESC & CTSA trans. program	1,000	-	1,000	-	1,000
Other purchased professional and technical service	31,000	7,975	38,975	31,758	7,217
Contract service - aid in lieu pymts - non-public schools	94,000	-	94,000	88,698	5,302
Contract serv. - aid in lieu pymts - choice school students	6,000	-	6,000	-	6,000
Contr. service (oth. than between home & school) - vend.	27,400	-	27,400	21,241	6,159
Contract service (sp ed stds) - vendors	10,000	-	10,000	9,864	136
Contract service (reg. students) - ESCs & CTSAAs	1,505,900	(38,372)	1,467,528	1,401,719	65,809
Contract service (spl. ed. students) - ESCs & CTSAAs	344,300	84,200	428,500	415,238	13,262
Miscellaneous purchased services - transportation	600	-	600	233	367
General supplies	300	(53)	247	-	247
Other objects	-	53	53	53	-
Total	2,048,869	53,861	2,102,730	1,997,203	105,527

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited				Variance
	Original	Budget	Final		Final
	Budget	Transfers	Budget	Actual	to Actual
Unallocated benefits - employee benefits					
Social Security contributions	\$ 370,000	\$ -	\$ 370,000	\$ 344,624	\$ 25,376
Other retirement contributions - PERS	435,000	45,532	480,532	480,532	-
Other retirement contributions - regular	17,000	-	17,000	14,974	2,026
Unemployment compensation	-	29,948	29,948	-	29,948
Workmen's compensation	144,000	-	144,000	138,984	5,016
Health benefits	5,313,134	(342,517)	4,970,617	4,875,858	94,759
Tuition reimbursement	90,470	-	90,470	63,519	26,951
Other employee benefits	33,200	-	33,200	21,483	11,717
Unused sick payment to terminated/retired staff	40,000	4,242	44,242	44,242	-
Total	6,442,804	(262,795)	6,180,009	5,984,216	195,793
On-behalf TPAF Pension contribution	-	-	-	4,357,224	(4,357,224)
On-behalf TPAF Non-contributory insurance	-	-	-	49,692	(49,692)
On-behalf TPAF Postretirement medical benefits	-	-	-	1,199,401	(1,199,401)
On-behalf TPAF Long-term disability insurance	-	-	-	1,628	(1,628)
Reimbursed TPAF Social Security contribution	-	-	-	925,149	(925,149)
Total	-	-	-	6,533,094	(6,533,094)
Total undistributed expenditures	\$ 19,846,948	\$ 46,061	\$ 19,893,009	\$ 24,848,333	\$ (4,955,324)
Total current	\$ 31,491,375	\$ (363,133)	\$ 31,128,242	\$ 35,445,067	\$ (4,316,825)
Capital outlay					
Equipment					
Preschool	\$ 48,000	\$ 31,144	\$ 79,144	\$ 79,144	\$ -
Grades 1-5	7,000	(2,655)	4,345	2,840	1,505
Grades 6-8	43,347	(1,743)	41,604	40,931	673
Undistributed					
Undistributed expenditures - general admin.	-	6,408	6,408	6,408	-
Undistributed expend. - required maint. for school facilities	20,000	234,725	254,725	234,725	20,000
Undistributed expenditures - care and upkeep of grounds	19,000	-	19,000	16,866	2,134
Undistributed expenditures - security	590,000	30,745	620,745	618,345	2,400
Total equipment	727,347	298,624	1,025,971	999,259	26,712
Facilities acquisition and construction service					
Architectural/engineering services	-	133,354	133,354	104,790	28,564
Other purchased professional and technology services	-	5,146	5,146	5,146	-
Construction services	2,158,337	-	2,158,337	-	2,158,337
Assessment for debt service on SDA funding	89,009	-	89,009	89,009	-
Total facilities acquisition and construction service	2,247,346	138,500	2,385,846	198,945	2,186,901
Total capital outlay	\$ 2,974,693	\$ 437,124	\$ 3,411,817	\$ 1,198,204	\$ 2,213,613
Transfer of funds to charter schools	17,934	(17,934)	-	-	-
Total expenditures	\$ 34,484,002	\$ 56,057	\$ 34,540,059	\$ 36,643,271	\$ (2,103,212)
Excess (deficiency) of revenues over (under) expenditures	\$ (4,322,912)	\$ (56,057)	\$ (4,378,969)	\$ 367,272	\$ 4,746,241

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited			Variance Final to Actual
	Original Budget	Budget Transfers	Final Budget	
Other financing sources (uses)				
Operating transfer in				
Transfers from capital projects fund	\$ -	\$ -	\$ -	\$ 7,643
Operating transfer out				
Transfer to special revenue fund - preschool programs	-	(148,620)	(148,620)	-
Capital reserve - transfer to debt service	(995,948)	-	(995,948)	-
Total other financing sources (uses)	(995,948)	(148,620)	(1,144,568)	7,643
Excess (deficiency) of revenues & other financing sources over (under) expenditures & other financing uses	(5,318,860)	(204,677)	(5,523,537)	4,753,884
Fund balances, July 1	8,276,914	-	8,276,914	-
Fund balances, June 30	<u>\$ 2,958,054</u>	<u>\$ (204,677)</u>	<u>\$ 2,753,377</u>	<u>\$ 4,753,884</u>
Recapitulation of excess (deficiency) of revenues over (under) expenditures				
Adjustment for prior year encumbrances	\$ (246,549)	\$ -	\$ (246,549)	\$ -
Increase in capital reserve	-	3,670,984	3,670,984	-
Withdrawal from capital reserve	(3,154,285)	(138,500)	(3,292,785)	-
Increase in maintenance reserve	-	726,910	726,910	-
Interest earned on maintenance reserve	2,000	(2,000)	-	-
Withdrawal from maintenance reserve	(400,100)	-	(400,100)	-
Interest earned on unemployment compensation	-	-	38	38
Budgeted fund balance	(1,519,926)	(4,462,071)	(5,981,997)	4,753,846
Total	<u>\$ (5,318,860)</u>	<u>\$ (204,677)</u>	<u>\$ (5,523,537)</u>	<u>\$ 4,753,884</u>
Recapitulation of fund balance				
Restricted fund balance				
Capital reserve			\$ 5,181,681	
Maintenance reserve			1,026,810	
Unemployment compensation			123,109	
Committed fund balance				
Year-end encumbrances			14,166	
Assigned fund balance				
Designated for subsequent year's expenditures			500,000	
Unassigned fund balance			<u>661,495</u>	
Fund balance per budgetary basis			7,507,261	
Reconciliation to governmental statements (GAAP)				
Last state aid payments not recognized on GAAP basis			<u>(241,172)</u>	
Fund balance per governmental funds (GAAP)			<u>\$ 7,266,089</u>	

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Unaudited				Variance
	Original Budget	Budget Transfers	Final Budget	Actual	Final to Actual
Revenues					
Local sources	\$ 137,131	\$ -	\$ 137,131	\$ 137,131	\$ -
State sources	1,382,862	-	1,382,862	985,800	(397,062)
Federal sources	732,245	1,058	733,303	635,951	(97,352)
Total revenues	2,252,238	1,058	2,253,296	1,758,882	(494,414)
Other Financing Sources					
Transfers in	148,620	-	148,620	148,620	-
Total revenues & other financing sources	\$ 2,400,858	\$ 1,058	\$ 2,401,916	\$ 1,907,502	\$ (494,414)
Expenditures					
Instruction					
Salaries	\$ 666,676	\$ (150,418)	\$ 516,258	\$ 372,734	\$ 143,524
Purchased professional and technical services	343,583	-	343,583	297,619	45,964
Other purchased services	372,514	(342,438)	30,076	30,076	-
General supplies	108,504	40,868	149,372	136,115	13,257
Total	1,491,277	(451,988)	1,039,289	836,544	202,745
Support services					
Tuition	-	360,772	360,772	347,172	13,600
Salaries	146,149	51,669	197,818	131,934	65,884
Employee benefits	314,413	11,436	325,849	129,181	196,668
Purchased professional and technical services	101,844	403	102,247	96,450	5,797
Plant operations and maintenance	-	7,940	7,940	6,945	995
Other purchased services	3,914	699	4,613	574	4,039
Supplies and materials	85,435	1,449	86,884	83,456	3,428
Student activities	163,877	-	163,877	163,877	-
Total	815,632	434,368	1,250,000	959,589	290,411
Capital outlay					
Facilities	26,435	18,678	45,113	44,808	305
Instructional equipment	94,260	-	94,260	93,307	953
Total	120,695	18,678	139,373	138,115	1,258
Total expenditures	\$ 2,427,604	\$ 1,058	\$ 2,428,662	\$ 1,934,248	\$ 494,414
Excess (deficiency) of revenues over (under) expenditures	\$ (26,746)	\$ -	\$ (26,746)	\$ (26,746)	\$ -
Fund balances, July 1	122,075	-	122,075	122,075	-
Fund balances, June 30	\$ 95,329	\$ -	\$ 95,329	\$ 95,329	\$ -
Recapitulation of fund balance					
Restricted fund balance					
Student activities				\$ 95,329	
Fund balance per budgetary basis				95,329	
Reconciliation to governmental statements (GAAP)					
Last state aid payments not recognized on GAAP basis				(96,603)	
Fund balance per governmental funds (GAAP)				\$ (1,274)	

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2024

Explanation of Differences Between Budgetary Inflows and
Outflows and GAAP Revenues and Expenditures

<u>Sources/Inflows of Resources</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 37,010,543	\$ 1,758,882
Differences - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding encumbrances - prior year	-	38,921
Outstanding encumbrances - prior year canceled	-	(118)
Outstanding encumbrances - current year	-	(24,000)
Differences - Budget to GAAP		
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):		
State aid receivable prior year	187,031	-
State aid receivable current year	(241,172)	(96,603)
Total revenues (GAAP basis)	<u>\$ 36,956,402</u>	<u>\$ 1,677,082</u>
<u>Uses/Outflows of Resources</u>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 36,643,271	\$ 1,934,248
Differences - Budget to GAAP		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding encumbrances - prior year	-	38,921
Outstanding encumbrances - prior year canceled	-	(118)
Outstanding encumbrances - current year	-	(24,000)
Total expenditures (GAAP basis)	<u>\$ 36,643,271</u>	<u>\$ 1,949,051</u>

See independent auditors' report.

REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees Retirement System
Last Ten Fiscal Years

	District's proportion of the net pension liability (asset)		District's covered employee payroll	District's proportion of the net pension liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as as a percentage of the total pension liability
	Percentage	Value			
2015	0.0343432683%	\$ 7,709,376	\$ 2,049,620	376.14%	47.93%
2016	0.3016899020%	8,935,190	2,096,944	426.11%	40.14%
2017	0.0317734413%	7,396,349	2,247,236	329.13%	48.10%
2018	0.0322220204%	6,344,355	2,303,417	275.43%	53.60%
2019	0.0317526731%	5,721,350	2,212,101	258.64%	56.27%
2020	0.0325818495%	5,313,248	1,987,587	267.32%	58.32%
2021	0.0276295378%	3,273,133	2,414,596	135.56%	70.33%
2022	0.0346393628%	5,227,557	2,647,462	197.46%	46.41%
2023	0.0367402907%	5,321,601	2,828,665	188.13%	65.23%
2024	N/A	N/A	2,961,572	N/A	N/A

N/A = Information not available

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 260,969	\$ (260,969)	\$ -	\$ 2,049,620	12.73%
2016	293,297	(293,297)	-	2,096,944	13.99%
2017	295,260	(295,260)	-	2,247,236	13.14%
2018	310,309	(310,309)	-	2,303,417	13.47%
2019	327,307	(327,307)	-	2,212,101	14.80%
2020	310,860	(310,860)	-	1,987,587	15.64%
2021	356,429	(356,429)	-	2,414,596	14.76%
2022	356,429	(356,429)	-	2,647,462	13.46%
2023	436,819	(436,819)	-	2,828,665	15.44%
2024	491,044	(491,044)	-	2,961,572	16.58%

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Proportionate share of net pension liability (asset)				District's covered employee payroll	District's proportion of the net pension liability (asset)	Plan fiduciary net position as
	District's proportion		State's proportion	Total		as a percentage of its covered employee payroll	as a percentage of the total pension liability
	Percentage	Value					
2015	0.12%	\$ -	\$ 74,196,743	\$ 74,196,743	\$ 11,364,829	0.00%	28.71%
2016	0.12%	-	94,294,763	94,294,763	11,001,425	0.00%	22.33%
2017	0.12%	-	74,932,416	74,932,416	12,978,597	0.00%	25.41%
2018	0.11%	-	69,065,943	69,065,943	11,130,435	0.00%	26.49%
2019	0.11%	-	68,455,863	68,455,863	10,893,711	0.00%	26.95%
2020	0.11%	-	70,375,328	70,375,328	10,266,658	0.00%	24.60%
2021	0.11%	-	47,796,198	47,796,198	11,799,631	0.00%	35.52%
2022	0.10%	-	48,571,281	48,571,281	12,028,161	0.00%	32.29%
2023	0.00%	-	54,449,512	54,449,512	12,633,420	0.00%	34.68%
2024	N/A	N/A	N/A	N/A	12,878,616	N/A	N/A

N/A = Information not available

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of District's Contributions
Teacher's Pension and Annuity Fund
Last Ten Fiscal Years

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	District's covered employee payroll	Contributions as a percentage of covered employee payroll
2015	\$ 634,664	\$ (934,664)	\$ (300,000)	\$ 11,364,829	8.22%
2016	959,700	(959,700)	-	11,001,425	8.72%
2017	1,250,070	(1,250,070)	-	12,978,597	9.63%
2018	1,247,967	(1,598,761)	(350,794)	11,130,435	14.36%
2019	1,641,107	(2,193,809)	(552,702)	10,893,711	20.14%
2020	2,242,759	(2,344,160)	(101,401)	10,266,658	22.83%
2021	2,421,798	(2,871,903)	(450,105)	11,799,631	24.34%
2022	2,895,219	(3,875,444)	(980,225)	12,028,161	32.22%
2023	3,940,020	(4,361,772)	(421,752)	12,633,420	34.53%
2024	4,445,601	(4,357,224)	88,377	12,878,616	34.52%

See independent auditors' report.

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR
OTHER POSTEMPLOYMENT EMPLOYEE BENEFITS (GASB 75)
(UNAUDITED)**

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Other
Postemployment Employee Benefits Liability
Last Ten Fiscal Years

	Proportionate share of other postemployment employee benefits liability (asset)				District's covered employee payroll	District's proportion of the other postemployment employee liability (asset) as a percentage of its covered employee payroll	Plan fiduciary net position as a percentage of the total other postemployment employee benefits liability
	District's proportion		State's proportion	Total			
	Percentage	Value					
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	0.00%	\$ -	\$ 56,523,859	\$ 56,523,859	\$ 15,225,833	0.00%	0.00%
2018	0.00%	-	48,957,232	48,957,232	13,433,852	0.00%	0.00%
2019	0.00%	-	44,741,723	44,741,723	13,105,812	0.00%	0.00%
2020	0.00%	-	70,860,061	70,860,061	12,254,245	0.00%	0.00%
2021	0.00%	-	62,492,843	62,492,843	14,214,227	0.00%	0.00%
2022	0.00%	-	53,414,376	53,414,376	14,675,623	0.00%	0.00%
2023	0.00%	-	56,066,310	56,066,310	15,462,085	0.00%	0.00%
2024	N/A	N/A	N/A	N/A	15,840,188	N/A	N/A

N/A = Information not available

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Required Supplementary Information - Part III
(Unaudited)
June 30, 2024

- Note 1 - Special funding situation - PERS, TPAF and other postretirement benefits
The participating employer allocations included in the supplemental Schedule of Employer Special Funding Allocations and the supplemental Schedule of Special Funding Amounts by Employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense and other postretirement benefits (OPEB) expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability and OPEB liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF) and for OPEB allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.
- Note 2 - Changes in assumptions - TPAF
The discount rate was 7.00% in State fiscal year 2022 and 7.00% in State fiscal year 2023. The inflation rate was 2.75% in State fiscal year 2022 and 2.75% in State fiscal year 2023.
- Note 3 - Changes in assumptions - PERS
The discount rate was 7.00% in State fiscal year 2022 and 7.00% in State fiscal year 2023. The inflation rate was 2.75% for State fiscal year 2022 and 2.75% for State fiscal year 2023.
- Note 4 - Changes in assumptions - other postretirement employee benefits
The other postretirement employee benefits discount rate increased from 3.54% in State fiscal year 2022 to 3.65% in State fiscal year 2023.
- Note 5 - Changes in healthcare trend assumptions - other postretirement employee benefits
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 PPO, the trend is increasing to 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% 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%.

SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

CLINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	IDEA Basic	IDEA Preschool	ARP IDEA Preschool	ESSA Title IA	ESSA Title IIA	ESSA Title III	ESSA Title IV	CRRSA ESSER II	CRRSA Learning Acceleration	ARP ESSER	ARP Accelerated Learning
Revenues											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-	-	-	-	-	-
Federal sources	434,337	11,723	388	25,144	18,623	3,992	5,317	965	1,400	20,070	21,902
Total revenues	434,337	11,723	388	25,144	18,623	3,992	5,317	965	1,400	20,070	21,902
Other financing sources											
Transfer from general fund	-	-	-	-	-	-	-	-	-	-	-
Total revenues and other financing sources	\$ 434,337	\$ 11,723	\$ 388	\$ 25,144	\$ 18,623	\$ 3,992	\$ 5,317	\$ 965	\$ 1,400	\$ 20,070	\$ 21,902
Expenditures											
Instruction											
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,690
Purchased professional & technical services	87,165	6,381	-	16,170	-	-	-	-	1,399	-	1,123
Other purchased services	-	-	-	-	11,742	-	-	-	-	-	-
Supplies	-	5,342	388	2,044	-	3,992	4,403	391	1	11,070	244
Total	87,165	11,723	388	18,214	11,742	3,992	4,403	391	1,400	11,070	3,057
Support services											
Tuition	347,172	-	-	-	-	-	-	-	-	-	-
Salaries	-	-	-	-	1,408	-	914	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-	-	-	-
Purchased professional & technical services	-	-	-	6,930	5,473	-	-	-	-	9,000	18,845
Plant operations and maintenance	-	-	-	-	-	-	-	-	-	-	-
Other purchased services	-	-	-	-	-	-	-	574	-	-	-
Supplies and materials	-	-	-	-	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-	-	-	-	-
Total	347,172	-	-	6,930	6,881	-	914	574	-	9,000	18,845
Capital outlay											
Facilities	-	-	-	-	-	-	-	-	-	-	-
Instructional equipment	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	\$ 434,337	\$ 11,723	\$ 388	\$ 25,144	\$ 18,623	\$ 3,992	\$ 5,317	\$ 965	\$ 1,400	\$ 20,070	\$ 21,902
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, July 1	-	-	-	-	-	-	-	-	-	-	-
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues
and Expenditures - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2024

	ARP Beyond the School Day	NJTSS Mental Health Support Staffing	NJ High Impact Tutoring	Non-public	Local Recreational Improvement	OpenSciEd	Preschool Expansion Aid	SDA Emergent and Capital Maintenance Needs	Student Activities	Total
Revenues										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,131	\$ 137,131
State sources	-	-	-	288,515	72,000	7,450	591,705	26,130	-	985,800
Federal sources	30,819	10,500	50,771	-	-	-	-	-	-	635,951
Total revenues	30,819	10,500	50,771	288,515	72,000	7,450	591,705	26,130	137,131	1,758,882
Other financing sources										
Transfer from general fund	-	-	-	-	-	-	148,620	-	-	148,620
Total revenues and other financing sources	\$ 30,819	\$ 10,500	\$ 50,771	\$ 288,515	\$ 72,000	\$ 7,450	\$ 740,325	\$ 26,130	\$ 137,131	\$ 1,907,502
Expenditures										
Instruction										
Salaries	\$ 1,714	\$ -	\$ 1,415	\$ -	\$ -	\$ 7,450	\$ 360,465	\$ -	\$ -	\$ 372,734
Purchased professional & technical services	-	-	48,000	137,381	-	-	-	-	-	297,619
Other purchased services	-	-	-	-	-	-	18,334	-	-	30,076
Supplies	4,096	-	-	37,384	-	-	66,760	-	-	136,115
Total	5,810	-	49,415	174,765	-	7,450	445,559	-	-	836,544
Support services										
Tuition	-	-	-	-	-	-	-	-	-	347,172
Salaries	-	-	1,356	-	-	-	128,256	-	-	131,934
Employee benefits	-	-	-	-	-	-	129,181	-	-	129,181
Purchased professional & technical services	3,702	10,500	-	42,000	-	-	-	-	-	96,450
Plant operations and maintenance	-	-	-	-	-	-	6,945	-	-	6,945
Other purchased services	-	-	-	-	-	-	-	-	-	574
Supplies and materials	-	-	-	71,750	-	-	11,706	-	-	83,456
Student activities	-	-	-	-	-	-	-	-	163,877	163,877
Total	3,702	10,500	1,356	113,750	-	-	276,088	-	163,877	959,589
Capital outlay										
Facilities	-	-	-	-	-	-	18,678	26,130	-	44,808
Instructional equipment	21,307	-	-	-	72,000	-	-	-	-	93,307
Total	21,307	-	-	-	72,000	-	18,678	26,130	-	138,115
Total expenditures	\$ 30,819	\$ 10,500	\$ 50,771	\$ 288,515	\$ 72,000	\$ 7,450	\$ 740,325	\$ 26,130	\$ 163,877	\$ 1,934,248
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (26,746)	\$ (26,746)
Fund balances, July 1	-	-	-	-	-	-	-	-	122,075	122,075
Fund balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,329	\$ 95,329

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid - Budgetary Basis
For the Fiscal Year Ended June 30, 2024

	Final Budget	Actual	Variance Final to Actual
Expenditures			
Instruction			
Salaries	\$ 326,214	\$ 245,257	\$ 80,957
Other salaries for instruction	150,025	115,208	34,817
Purchased professional and technical services	1,781	-	1,781
Other purchased services	18,334	18,334	-
Supplies	68,938	66,760	2,178
Total	<u>565,292</u>	<u>445,559</u>	<u>119,733</u>
Support services			
Salaries - supervisor of instruction	35,449	35,449	-
Salaries - other professional staff	35,000	21,812	13,188
Salaries - secretarial & clerical	29,220	27,487	1,733
Salaries - other	15,000	-	15,000
Salaries - community parent involvement	17,500	-	17,500
Salaries - master teachers	52,500	43,508	8,992
Employee benefits	323,937	129,181	194,756
Purchased property services	7,940	6,945	995
Supplies	14,134	11,706	2,428
Total	<u>530,680</u>	<u>276,088</u>	<u>254,592</u>
Capital outlay			
Facility	18,678	18,678	-
Total	<u>18,678</u>	<u>18,678</u>	<u>-</u>
Total expenditures	<u>\$ 1,114,650</u>	<u>\$ 740,325</u>	<u>\$ 374,325</u>

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Preschool Education Aid - Budgetary Basis (continued)
For the Fiscal Year Ended June 30, 2024

Calculation of Budget and Carryover

Total revised 2023 - 2024 preschool education aid allocation	\$ 966,030
Add: actual ECPA/PEA carryover (June 30, 2023)	-
Add: budgeted transfer from general fund	<u>148,620</u>
Total preschool education aid funds available for 2023 - 2024 budget	1,114,650
Less: 2023 - 2024 budgeted preschool education aid	<u>(1,114,650)</u>
Available and unbudgeted preschool education aid funds as of June 30, 2024	-
Add: 2023 - 2024 unexpended preschool education aid	<u>374,325</u>
2023 - 2024 Actual carryover preschool education aid	<u><u>\$ 374,325</u></u>
Preschool education aid carryover budgeted for preschool programs 2024 - 2025	<u><u>\$ -</u></u>

See independent auditors' report.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CLINTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2024

Description	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations 06/30/24
			Prior Years	Current Year	
2022 Bond referendum	7/7/2022	\$ 1,528,690	\$ 1,528,690	\$ -	\$ -
		<u>\$ 1,528,690</u>	<u>\$ 1,528,690</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

CLINTON TOWNSHIP 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

Revenues and other financing sources (uses)	
Local sources	
Transfer from debt service	\$ 1,536,321
Transfer to general fund	(7,643)
Miscellaneous	<u>12</u>
Total revenues and other financing sources (uses)	<u>1,528,690</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures & other financing uses	1,528,690
Fund balance - beginning	<u>(1,528,690)</u>
Fund balance - ending	<u><u>\$ -</u></u>

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Budgetary Basis
2022 Bond Referendum
For the Fiscal Year Ended June 30, 2024

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and other financing sources				
Local sources				
Transfer from capital reserve	\$ -	\$ 988,317	\$ 988,317	\$ 988,317
Transfer from debt service	-	540,373	540,373	540,373
Total revenues and other financing sources	-	1,528,690	1,528,690	1,528,690
Expenditures and other financing uses				
Legal services	18,785	-	18,785	18,785
Purchased professional & technical services	27,550	-	27,550	27,550
Construction	1,396,993	-	1,396,993	1,396,993
Architect/Engineering fees	85,362	-	85,362	85,362
Total expenditures and other financing uses	1,528,690	-	1,528,690	1,528,690
Excess (deficiency) of revenues over (under) expenditures	<u>\$(1,528,690)</u>	<u>\$ 1,528,690</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Project Information

Project number	N/A
Project number	N/A
Authorization date	1/27/2022
Bond authorized	N/A
Bonds issued	N/A
Original authorized cost	\$ 1,536,321
Additional authorized cost	(7,631)
Revised authorized cost	1,528,690
Percentage completion	100.00%

See independent auditors' report.

LONG-TERM DEBT SCHEDULES

The Long-Term Debt Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the School District. This includes serial bonds outstanding, obligations under leases, and early retirement program.

CLINTON TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance 07/01/23	Issued	Retired	Balance 06/30/24
			Date	Amount					
Refunding school bonds of 2021	10/19/21	\$ 10,409,000	01/15/25	\$ 1,555,000	1.35%	\$ 10,260,000	\$ -	\$ 501,000	\$ 9,759,000
			01/15/26	1,584,000	1.35%	-	-	-	-
			01/15/27	1,611,000	1.35%	-	-	-	-
			01/15/28	1,643,000	1.35%	-	-	-	-
			01/15/29	1,671,000	1.35%	-	-	-	-
			01/15/30	1,695,000	1.35%	-	-	-	-
Refunding school bonds of 2020	12/03/20	3,441,000	N/A	N/A	N/A	919,000	-	919,000	-
Refunding school bonds of 2015	10/28/15	8,680,000	01/15/25	30,000	3.00%	8,385,000	-	30,000	8,355,000
			01/15/26	30,000	3.19%	-	-	-	-
			01/15/27	35,000	3.16%	-	-	-	-
			01/15/28	35,000	3.21%	-	-	-	-
			01/15/29	35,000	3.21%	-	-	-	-
			01/15/30	35,000	3.21%	-	-	-	-
			01/15/31	1,950,000	3.26%	-	-	-	-
			01/15/32	2,005,000	3.38%	-	-	-	-
			01/15/33	2,065,000	4.00%	-	-	-	-
			01/15/34	2,135,000	4.00%	-	-	-	-
						<u>\$ 19,564,000</u>	<u>\$ -</u>	<u>\$ 1,450,000</u>	<u>\$ 18,114,000</u>

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2024

Description	Interest Rate	Amount of Original Issue	Balance 07/01/23	Issued	Retired	Balance 06/30/24
Copiers	4.11%	\$ 100,030	\$ 65,686	\$ -	\$ 19,805	\$ 45,881
Personal computers, electronic devices, servers and networking equipment	6.15%	262,896	<u>195,523</u>	<u>-</u>	<u>77,384</u>	<u>118,139</u>
			<u>\$ 261,209</u>	<u>\$ -</u>	<u>\$ 97,189</u>	<u>\$ 164,020</u>

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2024

	Original Budget	Unaudited Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues					
Local sources					
Local tax levy	\$ 1,887,390	\$ -	\$ 1,887,390	\$ 1,887,390	\$ -
State sources					
Debt service aid	540,373	-	540,373	540,373	-
Total revenues	<u>2,427,763</u>	<u>-</u>	<u>2,427,763</u>	<u>2,427,763</u>	<u>-</u>
Expenditures					
Regular debt service					
Redemption of principal	1,450,000	-	1,450,000	1,450,000	-
Interest on bonds	453,146	-	453,146	453,146	-
Total expenditures	<u>1,903,146</u>	<u>-</u>	<u>1,903,146</u>	<u>1,903,146</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	524,617	-	524,617	524,617	-
Other financing source (uses)					
Transfer from capital reserve account	995,948	-	995,948	995,948	-
Transfer to capital projects	(1,536,321)	-	(1,536,321)	(1,536,321)	-
Total other financing sources (uses)	<u>(540,373)</u>	<u>-</u>	<u>(540,373)</u>	<u>(540,373)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(15,756)	-	(15,756)	(15,756)	-
Fund balance, July 1	<u>15,758</u>	<u>-</u>	<u>15,758</u>	<u>15,758</u>	<u>-</u>
Fund balance, June 30	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ -</u>

See independent auditors' report.

STATISTICAL SECTION

CLINTON TOWNSHIP SCHOOL DISTRICT
Statistical Section J Series

CONTENTS	PAGE
<hr/>	
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend 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 to 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 are derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.
	The District implemented GASB Statement No. 84 in the fiscal year ending June 30, 2021. Schedules presenting information relating to the implementation of GASB Statement No. 84 include information beginning in that year.

CLINTON TOWNSHIP SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Government activities										
Net investment in										
capital assets	\$ 24,995,409	\$ 25,463,192	\$ 25,862,605	\$ 25,757,830	\$ 25,645,074	\$ 25,756,531	\$ 25,679,620	\$ 25,956,852	\$ 27,080,033	\$ 27,702,884
Restricted	2,473,779	1,604,605	2,040,731	2,797,494	3,113,170	2,983,031	2,826,277	4,228,655	5,764,386	6,426,931
Unrestricted	(6,572,794)	(5,061,778)	(7,925,307)	(8,396,819)	(8,379,427)	(7,684,554)	(5,590,099)	(4,328,037)	(5,849,397)	(4,559,652)
Total governmental activities	<u>\$ 20,896,394</u>	<u>\$ 22,006,019</u>	<u>\$ 19,978,029</u>	<u>\$ 20,158,505</u>	<u>\$ 20,378,817</u>	<u>\$ 21,055,008</u>	<u>\$ 22,915,798</u>	<u>\$ 25,857,470</u>	<u>\$ 26,995,022</u>	<u>\$ 29,570,163</u>
Business-type activities										
Net investment in										
capital assets	\$ 13,481	\$ 11,992	\$ 10,503	\$ 9,014	\$ 7,525	\$ 20,519	\$ 45,922	\$ 28,911	\$ 207,966	\$ 200,792
Unrestricted	13,453	10,658	13,581	1,721	18,586	94	(13,396)	40,744	30,302	84,408
Total business-type activities	<u>\$ 26,934</u>	<u>\$ 22,650</u>	<u>\$ 24,084</u>	<u>\$ 10,735</u>	<u>\$ 26,111</u>	<u>\$ 20,613</u>	<u>\$ 32,526</u>	<u>\$ 69,655</u>	<u>\$ 238,268</u>	<u>\$ 285,200</u>
District-wide										
Net investment in										
capital assets	\$ 25,008,890	\$ 25,475,184	\$ 25,873,108	\$ 25,766,844	\$ 25,652,599	\$ 25,777,050	\$ 25,725,542	\$ 25,985,763	\$ 27,287,999	\$ 27,903,676
Restricted	2,473,779	1,604,605	2,040,731	2,797,494	3,113,170	2,983,031	2,826,277	4,228,655	5,764,386	6,426,931
Unrestricted	(6,559,341)	(5,051,120)	(7,911,726)	(8,395,098)	(8,360,841)	(7,684,460)	(5,603,495)	(4,287,293)	(5,819,095)	(4,475,244)
Total district-wide	<u>\$ 20,923,328</u>	<u>\$ 22,028,669</u>	<u>\$ 20,002,113</u>	<u>\$ 20,169,240</u>	<u>\$ 20,404,928</u>	<u>\$ 21,075,621</u>	<u>\$ 22,948,324</u>	<u>\$ 25,927,125</u>	<u>\$ 27,233,290</u>	<u>\$ 29,855,363</u>

*

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities										
Instruction										
Regular	\$ 11,982,686	\$ 12,405,176	\$ 15,254,518	\$ 13,579,623	\$ 12,546,499	\$ 12,912,325	\$ 14,589,607	\$ 12,961,291	\$ 14,108,654	\$ 19,287,444
Special education	4,767,628	5,046,886	6,289,955	5,246,515	4,943,643	5,399,270	4,040,765	2,679,938	2,581,414	2,191,565
Other special education	1,215,570	1,237,448	1,722,812	1,367,327	1,058,798	770,762	1,617,261	1,413,697	1,368,060	830,525
School sponsored instruction	92,121	116,205	151,874	119,031	169,584	166,141	66,406	142,968	121,475	122,878
Support services										
Tuition	664,972	467,098	557,171	465,117	527,794	418,376	313,378	133,612	290,967	780,955
Student & instruction related services	6,322,668	6,845,608	7,331,631	7,145,515	6,643,904	5,377,056	6,108,659	5,850,774	7,389,644	9,678,085
General & business administrative services	1,282,779	1,579,339	1,580,503	752,745	884,629	784,628	579,207	760,423	750,460	1,775,150
School administrative services	1,694,187	1,630,779	1,818,026	1,787,713	1,475,990	1,537,284	1,026,774	1,130,134	890,397	1,041,032
Central services	-	-	-	686,211	700,558	904,991	919,269	680,664	775,498	-
Administrative information technology	-	-	-	14,504	42	-	12,219	31,764	70,386	-
Plant operations & maintenance	2,660,530	3,288,189	3,625,818	2,905,434	3,322,367	2,758,378	2,900,714	2,776,856	3,093,747	3,296,065
Pupil transportation	1,600,577	1,653,698	1,683,011	1,683,092	1,561,878	1,437,625	1,525,990	1,513,706	1,913,559	2,012,633
Capital outlay	-	-	-	122,345	89,009	94,020	79,499	89,009	136,010	-
Special schools	99,612	112,316	116,111	50,301	81,401	80,179	-	-	-	-
Unallocated depreciation	-	-	-	1,445,886	1,454,350	1,457,925	1,480,147	1,541,315	1,630,825	-
Interest on long-term debt	1,325,265	1,146,055	1,198,120	964,061	913,326	859,934	692,441	446,205	421,623	481,832
Total governmental activities										
activities expenses	33,708,595	35,528,797	41,329,550	38,335,420	36,373,772	34,958,894	35,952,336	32,152,356	35,542,719	41,498,164
Business-type activities										
Food services	421,896	462,129	506,878	477,741	458,415	366,872	402,749	625,359	613,881	572,959
Total business-type activities	421,896	462,129	506,878	477,741	458,415	366,872	402,749	625,359	613,881	572,959
Total district expenses	\$ 34,130,491	\$ 35,990,926	\$ 41,836,428	\$ 38,813,161	\$ 36,832,187	\$ 35,325,766	\$ 36,355,085	\$ 32,777,715	\$ 36,156,600	\$ 42,071,123

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program revenues										
Governmental activities										
Charges for services										
Regular instruction	\$ 384,771	\$ 422,951	\$ 500,399	\$ -	\$ -	\$ -	\$ 43,634	\$ 306,925	\$ 222,132	\$ 142,923
Special education instruction	70,279	257,962	169,779	-	-	-	466,622	54,339	-	-
Other instruction	-	-	8,850	-	-	-	-	-	-	-
Tuition	-	-	-	731,797	497,205	610,046	-	-	-	-
Student & instruction related services	26,097	3,357	30,451	-	-	-	17,271	69,554	121,580	137,131
Plant operations & maintenance	61,154	46,502	49,444	-	-	-	-	-	-	117,965
Pupil transportation	32,687	59,619	41,360	-	-	27,953	26,743	11,550	-	-
Special schools	-	1,582	-	-	-	-	-	-	-	-
Operating grants & contributions	802,768	615,914	634,499	11,475,969	10,102,595	8,968,154	10,425,876	7,523,918	7,935,992	1,539,951
Capital grants & contributions	444,426	(81,648)	-	-	-	-	-	-	-	-
Total governmental activities	1,822,182	1,326,239	1,434,782	12,207,766	10,599,800	9,606,153	10,980,146	7,966,286	8,279,704	1,937,970
Business-type activities										
Charges for services										
Food services	348,680	373,016	389,772	367,536	398,729	265,980	3,211	94,485	410,511	411,372
Operating grants & contributions	73,937	84,583	93,234	96,276	74,143	77,176	410,469	545,301	194,942	204,264
Capital grants & contributions	-	-	-	-	-	-	-	-	146,774	-
Total business-type activities	422,617	457,599	483,006	463,812	472,872	343,156	413,680	639,786	752,227	615,636
Total district-wide program revenues	\$ 2,244,799	\$ 1,783,838	\$ 1,917,788	\$ 12,671,578	\$ 11,072,672	\$ 9,949,309	\$ 11,393,826	\$ 8,606,072	\$ 9,031,931	\$ 2,553,606
Net (expense) revenues										
Governmental activities	\$ (31,886,413)	\$ (34,202,558)	\$ (39,894,768)	\$ (26,127,654)	\$ (25,773,972)	\$ (25,352,741)	\$ (24,972,190)	\$ (24,186,070)	\$ (27,263,015)	\$ (39,560,194)
Business-type activities	721	(4,530)	(23,872)	(13,929)	14,457	(23,716)	10,931	14,427	138,346	42,677
Total district-wide net expenses	\$ (31,885,692)	\$ (34,207,088)	\$ (39,918,640)	\$ (26,141,583)	\$ (25,759,515)	\$ (25,376,457)	\$ (24,961,259)	\$ (24,171,643)	\$ (27,124,669)	\$ (39,517,517)

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Changes in Net Position (continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General revenues & other changes in net position										
Governmental activities										
Property taxes levied for general purposes	\$ 22,580,498	\$ 22,918,742	\$ 22,813,416	\$ 23,145,143	\$ 23,492,320	\$ 23,492,320	\$ 24,238,903	\$ 25,031,000	\$ 26,069,480	\$ 26,740,870
Taxes levied for debt service	2,113,368	2,161,018	2,091,567	1,707,984	2,100,106	2,103,004	2,108,081	2,039,919	1,756,794	1,887,390
Unrestricted grants & contributions	8,822,963	10,066,633	12,831,589	1,373,502	454,470	331,106	243,081	102,039	186,182	13,101,874
Investment earnings	22,077	24,697	34,577	10,813	8,133	5,258	270	-	-	183,671
Miscellaneous income	143,365	201,093	120,629	138,705	147,314	170,639	137,618	182,250	418,111	221,530
Other item	-	-	-	200,000	-	-	105,027	-	-	-
Transfers	(50,000)	(60,000)	(25,000)	-	-	(3,100)	-	(30,000)	(30,000)	-
Total governmental activities	33,632,271	35,312,183	37,866,778	26,576,147	26,202,343	26,099,227	26,832,980	27,325,208	28,400,567	42,135,335
General revenues & other changes in net position (cont'd)										
Business-type activities										
Investment earnings	207	246	306	580	919	635	10	74	267	-
Other item	-	-	-	-	-	-	972	(7,372)	-	2,995
Transfer in (out)	-	-	25,000	-	-	3,100	-	30,000	30,000	1,260
Total business-type activities	207	246	25,306	580	919	3,735	982	22,702	30,267	4,255
Total district-wide	\$ 33,632,478	\$ 35,312,429	\$ 37,892,084	\$ 26,576,727	\$ 26,203,262	\$ 26,102,962	\$ 26,833,962	\$ 27,347,910	\$ 28,430,834	\$ 42,139,590
Change in net position										
Governmental activities	\$ 1,745,858	\$ 1,109,625	\$ (2,027,990)	\$ 448,493	\$ 428,371	\$ 746,486	\$ 1,860,790	\$ 3,139,138	\$ 1,137,552	\$ 2,575,141
Business-type activities	928	(4,284)	1,434	(13,349)	15,376	(19,981)	11,913	37,129	168,613	46,932
Total district	\$ 1,746,786	\$ 1,105,341	\$ (2,026,556)	\$ 435,144	\$ 443,747	\$ 726,505	\$ 1,872,703	\$ 3,176,267	\$ 1,306,165	\$ 2,622,073

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Restricted	\$ 2,115,969	\$ 1,328,179	\$ 1,649,007	\$ 2,797,492	\$ 3,113,168	\$ 2,816,630	\$ 2,720,224	\$ 3,932,397	\$ 5,626,553	\$ 6,331,600
Committed	988,770	2,865,632	336,121	-	-	-	-	-	-	14,166
Assigned	240,000	91,023	241,023	541,517	57,974	562,511	678,123	1,078,420	1,766,475	500,000
Unassigned	382,034	301,053	352,313	311,594	865,276	869,000	2,286,579	2,156,609	696,855	420,323
Total general fund	<u>\$ 3,726,773</u>	<u>\$ 4,585,887</u>	<u>\$ 2,578,464</u>	<u>\$ 3,650,603</u>	<u>\$ 4,036,418</u>	<u>\$ 4,248,141</u>	<u>\$ 5,684,926</u>	<u>\$ 7,167,426</u>	<u>\$ 8,089,883</u>	<u>\$ 7,266,089</u>
						*				
All other governmental funds										
Restricted										
Special revenue fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 116,244	\$ 106,053	\$ 135,032	\$ 122,075	\$ 95,329
Capital projects fund	938,670	74,155	-	-	-	-	-	-	-	-
Debt projects fund	-	-	-	2	2	-	-	161,226	15,758	-
Assigned										
Debt service fund	-	393,163	391,724	-	-	-	-	-	-	2
Unassigned										
Special revenue fund	-	-	-	-	-	-	-	(197,466)	(1,528,690)	(96,603)
Total all other governmental funds	<u>\$ 938,670</u>	<u>\$ 467,318</u>	<u>\$ 391,724</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 116,244</u>	<u>\$ 106,053</u>	<u>\$ 98,792</u>	<u>\$ (1,390,857)</u>	<u>\$ (1,272)</u>
						*				

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

* as restated

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 24,693,866	\$ 25,079,760	\$ 24,904,983	\$ 24,853,127	\$ 25,592,426	\$ 25,595,324	\$ 26,346,984	\$ 27,070,919	\$ 27,826,274	\$ 28,628,260
Tuition	455,050	598,030	670,178	731,797	497,205	610,046	510,256	361,264	222,132	142,923
Transportation Fees	-	-	-	-	-	27,953	26,743	11,550	-	-
Interest earnings	22,077	24,697	34,577	10,813	8,133	5,258	270	-	-	183,671
Miscellaneous	164,644	200,724	105,312	158,275	164,867	174,754	191,027	252,429	534,415	476,626
Other sources	-	23,904	-	-	-	-	-	-	-	-
State sources	6,041,014	5,596,406	5,908,334	6,276,296	6,902,380	6,859,648	8,266,935	9,145,810	9,894,477	11,008,437
Federal sources	520,420	450,501	424,486	377,054	428,221	388,700	540,197	917,120	827,483	621,342
Total revenues	31,897,071	31,974,022	32,047,870	32,407,362	33,593,232	33,661,683	35,882,412	37,759,092	39,304,781	41,061,259
Expenditures										
Instruction										
Regular instruction	7,013,524	6,683,222	7,920,773	7,128,318	7,124,617	7,881,868	8,453,772	9,270,164	9,428,183	9,350,049
Special education instruction	2,635,027	2,720,141	3,121,987	2,631,033	2,681,119	3,300,539	2,494,936	2,001,668	1,818,783	1,246,142
Other special instruction	669,167	627,081	825,043	679,873	573,039	428,332	883,163	950,380	878,812	728,287
School sponsored instruction	62,836	73,169	87,088	85,937	133,906	121,705	48,820	111,140	87,163	94,648
Support services										
Tuition	664,972	467,098	557,171	465,117	527,794	131,321	313,378	133,612	290,967	780,955
Student & instructional related services	3,694,437	3,749,094	4,047,238	3,720,880	3,791,712	3,287,503	4,031,079	4,372,850	5,265,760	5,623,288
General administrative services	436,175	500,190	550,585	554,154	688,006	622,620	431,054	641,604	612,669	654,478
School administrative services	964,085	837,796	892,689	892,941	768,757	873,712	643,825	775,255	579,795	579,052
Central services	387,377	394,432	423,227	423,343	415,639	538,612	546,753	496,196	541,208	575,849
Administration info technology	19,668	19,637	33,787	9,533	42	-	12,219	25,833	60,868	30,523
Plant operations & maintenance	2,161,745	2,566,089	2,742,089	2,390,713	2,623,776	2,269,235	2,449,987	2,620,067	2,611,999	2,949,039
Pupil transportation	1,553,746	1,600,622	1,630,780	1,669,406	1,556,505	1,435,063	1,525,775	1,503,689	1,902,238	1,997,203
Unallocated benefits	4,579,954	4,816,769	4,873,120	5,321,773	5,711,968	5,605,904	5,500,435	5,059,977	5,828,478	6,113,397
On-behalf TPAF Pension & Social Security contributions	2,457,829	2,882,586	3,249,153	3,488,323	4,022,936	3,996,831	4,822,944	5,713,547	6,492,993	6,533,094
Special schools	52,892	56,380	58,997	50,301	81,401	80,179	-	-	-	-
Capital outlay	74,631	1,296,005	852,801	315,594	406,094	820,589	294,624	783,450	1,802,691	1,247,309
Capital projects	906,897	215,464	-	-	-	-	-	-	-	-
Debt service										
Principal	905,000	1,119,267	1,032,344	1,020,000	1,070,000	1,125,000	1,185,000	1,326,000	1,435,000	1,450,000
Interest and other charges	1,337,377	1,188,587	1,207,015	1,079,706	1,030,106	978,006	838,081	568,451	467,262	542,155
Total expenditures	30,577,339	31,813,629	34,105,887	31,926,945	33,207,417	33,497,019	34,475,845	36,353,883	40,104,869	40,495,468

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds (continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Excess (deficiency) of revenues over (under) expenditures	\$ 1,319,732	\$ 160,393	\$ (2,058,017)	\$ 480,417	\$ 385,815	\$ 164,664	\$ 1,406,567	\$ 1,405,209	\$ (800,088)	\$ 565,791
Other financing sources (uses)										
Financed purchases	-	175,000	-	-	-	-	-	100,030	262,896	-
Premium on bonds and notes	-	305,937	-	-	-	-	-	-	-	-
Proceeds from refunding bond issue	-	8,680,000	-	-	-	-	3,441,000	10,409,000	-	-
Payment to refunding bond escrow agent	-	(8,873,568)	-	-	-	-	(3,400,000)	(10,155,000)	-	-
Bond issuance costs	-	-	-	-	-	-	(35,806)	(60,962)	-	-
Deferred amount on refunding	-	-	-	-	-	-	(90,194)	(193,038)	-	-
Cancellation of prior year accounts payable	-	-	-	-	-	-	105,027	-	-	-
Transferred to capital reserve	-	-	-	200,000	-	-	-	-	-	-
Transfers out	(50,000)	(60,000)	(25,000)	-	-	(3,100)	-	(30,000)	(30,000)	-
Total other financing sources(uses)	(50,000)	227,369	(25,000)	200,000	-	(3,100)	20,027	70,030	232,896	-
Net change in fund balances	\$ 1,269,732	\$ 387,762	\$ (2,083,017)	\$ 680,417	\$ 385,815	\$ 161,564	\$ 1,426,594	\$ 1,475,239	\$ (567,192)	\$ 565,791
Debt service as a percentage of non-capital expenditures	8.20%	8.24%	7.22%	7.11%	6.84%	6.88%	6.29%	5.63%	5.23%	5.35%

Source: District Records

Notes: 1) Non-capital expenditures are total expenditures less capital outlay.
2) During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
General Fund - Other Local Revenues by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Tuition	\$ 455,050	\$ 598,030	\$ 670,178	\$ 731,797	\$ 497,205	\$ 610,046	\$ 510,256	\$ 361,264	\$ 222,132	\$ 142,923
Interest on investments	22,077	24,697	34,577	78,357	105,469	75,640	16,839	7,332	85,247	183,671
Prior year refunds	-	-	96	34,500	-	-	27,024	65,811	114,293	-
Transportation fees	-	-	-	-	-	27,953	26,743	11,550	-	-
Rentals - use of facilities	-	-	-	-	-	15,863	-	26,545	120,773	117,965
Other	103,738	201,015	56,887	36,661	49,978	84,394	94,025	66,804	97,798	221,518
Annual totals	<u>\$ 580,865</u>	<u>\$ 823,742</u>	<u>\$ 761,738</u>	<u>\$ 881,315</u>	<u>\$ 652,652</u>	<u>\$ 813,896</u>	<u>\$ 674,887</u>	<u>\$ 539,306</u>	<u>\$ 640,243</u>	<u>\$ 666,077</u>

Source: District Records

Note: During the year ended June 30, 2021, the District implemented GASB Statement No. 84.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Vacant land	\$ 13,162,200	\$ 12,470,100	\$ 12,170,800	\$ 11,917,800	\$ 12,043,000	\$ 12,220,500	\$ 12,919,600	\$ 12,659,500	\$ 12,317,500	\$ 11,824,800
Residential	1,715,936,500	1,721,744,700	1,725,515,200	1,724,916,100	1,724,647,200	1,719,687,800	1,726,272,800	1,735,240,400	1,741,488,000	1,748,595,700
Farm regular	53,221,300	52,845,400	50,999,200	51,555,100	52,150,400	51,959,400	50,343,500	49,369,600	49,420,600	49,205,700
Q farm	2,408,900	2,387,900	2,660,200	2,779,000	2,463,000	2,280,400	2,203,500	2,235,600	2,313,900	2,327,900
Commercial	189,838,200	186,955,500	186,206,700	185,252,200	182,066,300	181,697,000	179,886,200	176,026,900	167,878,000	159,999,400
Industrial	155,426,500	155,319,700	155,262,100	155,282,300	155,223,300	162,716,400	162,716,400	162,716,400	162,716,400	162,716,400
Apartment	19,142,900	19,342,900	19,342,900	19,347,900	19,347,900	19,347,900	19,347,900	19,347,900	19,347,900	19,347,900
Total assessed value	2,149,136,500	2,151,066,200	2,152,157,100	2,151,050,400	2,147,941,100	2,149,909,400	2,153,689,900	2,157,596,300	2,155,482,300	2,154,017,800
Public utilities (a)	-	-	-	-	-	-	-	-	-	-
Net valuation taxable	<u>\$2,149,136,500</u>	<u>\$2,151,066,200</u>	<u>\$2,152,157,100</u>	<u>\$2,151,050,400</u>	<u>\$2,147,941,100</u>	<u>\$2,149,909,400</u>	<u>\$2,153,689,900</u>	<u>\$2,157,596,300</u>	<u>\$2,155,482,300</u>	<u>\$2,154,017,800</u>
Estimated actual county equalized value	<u>\$2,149,136,500</u>	<u>\$2,151,066,200</u>	<u>\$2,152,157,100</u>	<u>\$2,287,177,599</u>	<u>\$2,264,097,865</u>	<u>\$2,301,380,924</u>	<u>\$2,310,840,165</u>	<u>\$2,339,494,818</u>	<u>\$2,410,245,220</u>	<u>\$2,521,088,249</u>
Percentage of net valuation to estimated actual equalized value	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>94.05%</u>	<u>94.87%</u>	<u>93.42%</u>	<u>93.20%</u>	<u>92.22%</u>	<u>89.43%</u>	<u>85.44%</u>
Total direct school tax rates (b)	<u>\$ 1.170</u>	<u>\$ 1.160</u>	<u>\$ 1.154</u>	<u>\$ 1.190</u>	<u>\$ 1.192</u>	<u>\$ 1.225</u>	<u>\$ 1.257</u>	<u>\$ 1.290</u>	<u>\$ 1.255</u>	<u>\$ 1.378</u>

Source: Municipal Tax Assessor

Notes: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation.
Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

- (a) Taxable value of machinery, implements and equipment of telephone and messenger system companies.
(b) Tax rates are per \$100.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate Per \$100 of Assessed Value)

Assessment Year	School District Direct Rate				Regional School Rate	Overlapping Rates		Fire District	Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Municipality		County			
2015	\$ 1.070	\$ 0.100	\$ 1.170	\$ 0.670	\$ 0.320	\$ 0.390	\$ -	\$ 2.550	
2016	1.060	0.100	1.160	0.650	0.340	0.390	-	2.540	
2017	1.055	0.099	1.154	0.653	0.339	0.391	-	2.537	
2018	1.092	0.098	1.190	0.650	0.377	0.400	-	2.617	
2019	1.094	0.098	1.192	0.638	0.425	0.396	-	2.651	
2020	1.127	0.098	1.225	0.633	0.435	0.401	-	2.694	
2021	1.162	0.095	1.257	0.618	0.454	0.403	-	2.732	
2022	1.209	0.081	1.290	0.640	0.471	0.408	-	2.809	
2023	1.176	0.079	1.255	0.649	0.497	0.422	-	2.823	
2024	1.287	0.091	1.378	0.650	0.520	0.433	-	2.981	

Sources: Municipal Tax Collector

Notes: N.J.S.A.18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy when added to other components of the District's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the pre-budget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The District's basic tax rate is calculated from the A4F Form which is submitted with the budget and the net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago

	2024			2015		
	Taxable Assessed	Rank	% of Total District Net	Taxable Assessed	Rank	% of Total District Net
	Value		Assessed Value	Value		Assessed Value
Exxon Capital Corp	\$ 121,929,700	1	5.66%	\$ 112,100,000	1	5.22%
NY Life Ins. Co.	23,016,000	2	1.07%	21,603,500	3	1.01%
111 Cokesbury LLC	22,586,800	3	1.05%	22,586,800	2	1.05%
East Coast the Mews at Annandale	21,679,300	5	1.01%	17,400,000	4	0.81%
Transcontinental Gas Pipeline Co.	12,124,900	4	0.56%	11,973,000	6	0.56%
Meridian Property Group LLC	6,350,000	6	0.29%	4,100,300	10	0.19%
Chanco Devel Corp the Concourse BB	5,752,200	7	0.27%	-		0.00%
Annandale Falls LLC	5,638,200	8	0.26%	5,638,200	9	0.26%
Kullman LLC	4,268,600	9	0.20%	-		0.00%
HDP Realty LLC	3,722,000	10	0.17%	-		0.00%
ARCP OFC Annandale NJ LLC	-		0.00%	16,075,400	5	0.75%
Hunterdon Medical Center	-		0.00%	6,283,600	7	0.29%
American Golf Corp	-		0.00%	5,689,700	8	0.26%
	<u>\$ 227,067,700</u>		<u>10.54%</u>	<u>\$ 223,450,500</u>		<u>10.40%</u>

Source: Municipal Tax Assessor

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections
By Constituent District
Last Ten Years

Fiscal Year Ending June 30,	Taxes Levied for the Year	Collected within the Year of the Levy (a)	
		Total Amount	Percentage of Levy
2015	\$ 24,693,866	\$ 24,693,866	100.00%
2016	25,079,760	25,079,760	100.00%
2017	24,904,983	24,904,983	100.00%
2018	24,853,127	24,853,127	100.00%
2019	25,592,426	25,592,426	100.00%
2020	25,595,324	25,595,324	100.00%
2021	26,346,984	26,346,984	100.00%
2022	27,070,919	27,070,919	100.00%
2023	27,826,274	27,826,274	100.00%
2024	28,628,260	28,628,260	100.00%

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Governmental Activities			Bond Anticipation Notes (BANs)	Business-Type Activities Leases	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Leases					
2015	\$ 28,470,000	\$ -	\$ -	\$ -	\$ -	\$ 28,470,000	2.75%	\$ 2,166
2016	27,405,000	-	115,733	-	-	27,520,733	2.60%	2,108
2017	26,430,000	-	58,389	-	-	26,488,389	2.46%	2,058
2018	25,410,000	-	-	-	-	25,410,000	2.32%	1,969
2019	24,340,000	-	-	-	-	24,340,000	2.14%	1,886
2020	23,215,000	-	-	-	-	23,215,000	1.95%	1,794
2021	22,071,000	-	-	-	-	22,071,000	1.80%	1,713
2022	20,999,000	-	84,737	-	-	21,083,737	1.54%	1,544
2023	19,564,000	-	261,209	-	-	19,825,209	1.46%	1,488
2024	18,114,000	-	164,020	-	-	18,278,020	N/A	1,391

Notes: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

(a) See Exhibit J-14 for personal income and population data.

These ratios are calculated using personal income and population for the prior calendar year.

N/A Information is not available

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ending June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	% of Actual Taxable Value of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions			
2015	\$ 28,470,000	\$ -	\$ 28,470,000	1.32%	\$ 2,166
2016	27,405,000	-	27,405,000	1.27%	2,100
2017	26,430,000	-	26,430,000	1.23%	2,053
2018	25,410,000	-	25,410,000	1.18%	1,969
2019	24,340,000	-	24,340,000	1.13%	1,886
2020	23,215,000	-	23,215,000	1.08%	1,794
2021	22,071,000	-	22,071,000	1.02%	1,713
2022	20,999,000	-	20,999,000	0.97%	1,538
2023	19,564,000	-	19,564,000	0.91%	1,468
2024	18,114,000	-	18,114,000	0.84%	1,379

Notes: 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) Population data can be found in Exhibit J-14.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2023

Governmental Unit	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Debt</u>
Debt repaid with property taxes			
Municipality	\$ 13,393,000	100.00%	\$ 13,393,000
Regional High School	6,360,000	26.37%	1,677,132
County general obligation debt	71,347,396	9.68%	<u>6,906,428</u>
Subtotal, overlapping debt			21,976,560
School District direct debt			<u>19,564,000</u>
Total direct and overlapping debt			<u><u>\$ 41,540,560</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Taxation. Debt outstanding data provided by each Governmental Unit.

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

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

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized Valuation Basis	
	2023	\$ 2,522,802,317
	2022	2,412,609,080
	2021	2,331,337,844
		<u>\$ 7,266,749,241</u>
Average equalized valuation of taxable property		<u>\$ 2,422,249,747</u>
Debt limit (3.0% of average equalization value)	(a)	\$ 72,667,492
Total net debt applicable to limit		<u>18,114,000</u>
Legal debt margin		<u>\$ 54,553,492</u>

	Fiscal Year				
	2020	2021	2022	2023	2024
Debt limit	\$ 68,376,166	\$ 68,405,759	\$ 68,778,909	\$ 69,458,811	\$ 72,667,492
Total net debt applicable	<u>23,215,000</u>	<u>22,071,000</u>	<u>20,999,000</u>	<u>19,564,000</u>	<u>18,114,000</u>
Legal debt margin	<u>\$ 45,161,166</u>	<u>\$ 46,334,759</u>	<u>\$ 47,779,909</u>	<u>\$ 49,894,811</u>	<u>\$ 54,553,492</u>
Total net debt applicable to the limit as a percentage of debt limit	33.95%	32.26%	30.53%	28.17%	24.93%

	Fiscal Year				
	2015	2016	2017	2018	2019
Debt limit	\$ 66,543,114	\$ 66,545,021	\$ 67,373,771	\$ 67,921,823	\$ 68,267,007
Total net debt applicable	<u>28,470,000</u>	<u>27,405,000</u>	<u>26,430,000</u>	<u>25,410,000</u>	<u>24,340,000</u>
Legal debt margin	<u>\$ 38,073,114</u>	<u>\$ 39,140,021</u>	<u>\$ 40,943,771</u>	<u>\$ 42,511,823</u>	<u>\$ 43,927,007</u>
Total net debt applicable to the limit as a percentage of debt limit	42.78%	41.18%	39.23%	37.41%	35.65%

Source: Equalized valuation basis obtained from the annual report of the State of New Jersey Department of Treasury, Division of Taxation.

(a) Limit set by N.J.S.A. 18A:24-19.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2015	13,146	\$ 1,036,719,852	\$ 78,862	4.3%
2016	13,053	1,057,044,993	80,981	4.1%
2017	12,871	1,078,113,573	83,763	3.8%
2018	12,905	1,095,789,360	84,912	3.6%
2019	12,907	1,134,964,138	87,934	3.0%
2020	12,941	1,189,873,186	91,946	7.6%
2021	12,881	1,224,828,528	95,088	4.8%
2022	13,655	1,369,432,640	100,288	2.9%
2023	13,326	1,359,838,344	102,044	3.7%
2024	13,137	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development.
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (c) Per capita personal income by County estimated based upon the 2020 census published by the U.S. Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development.

N/A Information is not available

CLINTON TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

2024

			Percentage of
			Total Municipal
Employer	Employees	Rank	Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

2015

			Percentage of
			Total Municipal
Employer	Employees	Rank	Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Full Time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	<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>
Instruction										
Regular	94.0	91.1	88.1	84.0	89.0	84.0	101.5	108.5	104.5	100.5
Special education	59.5	58.2	53.5	52.0	53.0	41.0	39.9	37.0	28.1	25.5
Support services										
Student and instruction related services	55.3	46.0	46.3	46.0	46.0	56.0	49.4	54.0	76.7	79.7
General administrative services	2.0	2.0	2.0	2.0	2.0	2.0	3.0	3.0	2.1	3.1
School administrative services	13.0	13.5	9.5	9.5	9.5	12.0	10.7	10.0	6.0	7.0
Central services	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.2	4.2
Administrative information technology	3.0	3.0	2.0	2.0	2.0	2.0	3.0	3.0	0.3	-
Plant operations and maintenance	32.2	30.0	23.6	23.0	23.0	33.0	24.4	21.3	24.3	23.9
Total	<u>264.0</u>	<u>248.8</u>	<u>230.0</u>	<u>223.5</u>	<u>229.5</u>	<u>235.0</u>	<u>236.9</u>	<u>241.8</u>	<u>247.2</u>	<u>243.9</u>

Source: District Personnel Records

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	June 30 Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2015	1,471	\$ 27,300,542	\$ 18,559	4.88%	146.0	1 to 10.08	1,450.2	1,372.3	-6.00%	94.63%
2016	1,405	27,937,926	19,885	7.14%	143.0	1 to 9.83	1,402.0	1,348.8	-3.32%	96.21%
2017	1,347	30,954,730	22,980	15.56%	141.0	1 to 9.55	1,335.6	1,282.6	-4.74%	96.03%
2018	1,208	29,461,344	24,389	6.13%	136.0	1 to 8.88	1,177.8	1,133.8	-11.81%	96.26%
2019	1,225	30,619,816	24,996	2.49%	142.0	1 to 8.63	1,219.0	1,176.1	3.50%	96.48%
2020	1,234	30,493,245	24,711	-1.14%	125.0	1 to 9.87	1,233.4	1,198.9	1.18%	97.20%
2021	1,208	32,158,140	26,621	7.73%	141.4	1 to 8.54	1,203.8	1,175.0	-2.40%	97.61%
2022	1,195	33,675,982	28,181	5.86%	145.5	1 to 8.21	1,195.7	1,123.5	-0.67%	93.96%
2023	1,171	36,399,916	31,084	10.30%	132.6	1 to 8.83	1,170.0	1,105.4	-2.15%	94.48%
2024	1,171	37,256,004	31,816	2.35%	126.0	1 to 9.29	1,232.2	1,171.1	5.32%	95.04%

Source: District Records

- (a) Operating expenditures equal total expenditures less debt service and capital outlay.
- (b) Teaching staff includes only full-time equivalents or certificated staff.
- (c) Average Daily Enrollment and Average Daily Attendance are obtained from the School Register Summary.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Spruce Run School (1955)										
Square feet	54,445	54,445	54,445	54,445	54,445	54,445	54,445	54,445	54,445	54,445
Capacity (students)	444	444	444	444	444	444	444	444	444	444
Enrollment	251	263	243	34	35	39	41	-	-	-
Patrick McGaheran School (1988)										
Square feet	67,623	67,623	67,623	67,623	67,623	67,623	67,623	67,623	67,623	67,623
Capacity (students)	541	541	541	541	541	541	541	541	541	541
Enrollment	293	258	242	323	325	330	331	396	399	399
Round Valley School (1965)										
Square feet	107,806	107,806	107,806	107,806	107,806	107,806	107,806	107,806	107,806	107,806
Capacity (students)	506	506	506	506	506	506	506	506	506	506
Enrollment	496	469	462	396	397	398	378	374	360	260
Clinton Township Middle School (2007)										
Square feet	123,284	123,284	123,284	123,284	123,284	123,284	123,284	123,284	123,284	123,284
Capacity (students)	640	640	640	640	640	640	640	640	640	640
Enrollment	413	415	378	455	468	467	452	425	412	412
Number of schools at June 30, 2024										
Elementary	3									
Middle School	1									
High School	-									
Other	-									

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increase in square footage and capacity are the result of renovations and additions.

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

Undistributed Expenditures - Required Maintenance for School Facilities

Fiscal Year Ending	School Facilities *				Total
	Spruce Run School	Patrick McGaheran School	Round Valley School	Clinton Township Middle School	
2015	\$ 93,727	\$ 124,614	\$ 153,352	\$ 169,418	\$ 541,111
2016	137,266	185,383	246,232	313,273	882,154
2017	134,745	194,152	255,526	283,730	868,153
2018	128,950	135,398	212,769	167,636	644,753
2019	148,348	235,331	200,304	206,332	790,315
2020	89,468	109,119	168,522	188,935	556,044
2021	97,921	119,429	190,395	217,702	625,447
2022	128,679	156,943	250,200	286,084	821,906
2023	111,262	132,123	208,616	243,385	695,386
2024	126,461	139,076	221,859	358,504	845,900
Total school facilities	<u>\$ 1,196,827</u>	<u>\$ 1,531,568</u>	<u>\$ 2,107,775</u>	<u>\$ 2,434,999</u>	<u>\$ 7,271,169</u>

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

Source: District Records

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
June 30, 2024
(Unaudited)

	Coverage	Deductible
School Package Policy - NJSIG		
Property - real & personal property	\$ 350,000,000	\$ 5,000
Electronic data processing	350,000,000	1,000
Equipment breakdown	100,000,000	25,000
Comprehensive general liability	11,000,000	-
Comprehensive automotive liability	11,000,000	-
Crime coverage	1,000,000	1,000
School District Legal Liability - NJSIG		
Coverage A	11,000,000	5,000
Coverage B (each claim)	100,000	5,000
Coverage B (each policy period)	300,000	-
Surety Bonds		
Business administrator - Hanover	250,000	-
Cyber & privacy liability - NJSIG		
Each claim	2,000,000	\$25,000 or \$250,000 contingent upon controls in place
Worker's Compensation - NJSIG		
Bodily Injury by Accident- Each Accident	3,000,000	-
Bodily Injury by Disease- Each Employee	3,000,000	-
Bodily Injury by Disease- Aggregate	3,000,000	-
Student Accident - US Fire Insurance Co.		
Maximum Benefit Per Injury	7,500,000	-
Catastrophic Cash Benefit Per Injury	500,000	-
Environmental Impairment Policy - NJSIG		
Aggregate first party limit of insurance	1,000,000	50,000

Source: District records

See independent auditors' report.

SINGLE AUDIT SECTION

**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART I**



Certified Public Accountants, PC
www.bkc-cpa.com

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

Honorable President and
Members of the Board of Education
Clinton Township School District
Lebanon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information of the Clinton Township School District (the District) in the County of Hunterdon, as of and for the fiscal year ended June 30, 2024, and the related Notes to the Financial Statements, which collectively comprise the District's Basic Financial Statements, and have issued our report thereon dated December 5, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clinton Township 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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



BKC, CPAs, PC



Michael A. Holk, CPA, PSA
NO. 20CS00265600

December 5, 2024
Flemington, New Jersey



Certified Public Accountants, PC
www.bkc-cpa.com

**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control Over Compliance Required by the Uniform Guidance
and the New Jersey OMB Circular 15-08**

Honorable President and
Members of the Board of Education
Clinton Township School District
Lebanon, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Clinton Township School District's (the District) compliance with the types of compliance requirements as subject to audit in the OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2024. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2024.

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

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, we:

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

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

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 and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and 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 and 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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



BKC, CPAs, PC

Michael A. Holk, CPA,
PSA NO. 20CS00265600

December 5, 2024
Flemington, New Jersey

SUPPLEMENTARY INFORMATION

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Federal AL Number	FAIN Number	Program or Award Amount	Grant Period		Balance June 30, 2023		Cash Received	Budgetary Expenditure	Adjust- ment	Repayment of Prior Year Balance	Balance June 30, 2024		
				From	To	(Acct Rec) Def Revenue	Carryover Amount					Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Education passed through State Department of Education Special Revenue Fund														
Special education cluster (IDEA)														
IDEA Basic	84.027A	H027A230100	\$ 419,635	07/01/22	06/30/23	\$ (11,298)	\$ -	\$ 10,677	\$ -	\$ -	\$ -	(621)	\$ -	\$ -
IDEA Basic	84.027A	H027A240100	428,115	07/01/23	06/30/24	-	-	339,597	434,337	-	-	(94,740)	-	-
IDEA Preschool	84.173A	H173A230114	21,871	07/01/22	06/30/23	(307)	-	125	-	-	-	(182)	-	-
IDEA Preschool	84.173A	H173A240114	14,412	07/01/23	06/30/24	-	-	7,378	11,723	-	-	(4,345)	-	-
ARP Basic	84.027X	H173X220114	65,418	07/01/21	09/30/22	(1,011)	-	1,013	-	1,011	-	-	1,013	-
ARP Preschool	84.173X	H027X230100	5,585	07/01/22	09/30/23	(1,861)	-	2,249	388	-	-	-	-	-
Total special education cluster (IDEA)						(14,477)	-	361,039	446,448	1,011	-	(99,888)	1,013	-
Title I A	84.010	S010A230030	33,344	07/01/22	06/30/23	(28,568)	-	28,568	-	-	-	-	-	-
Title I A	84.010	S010A240030	32,109	07/01/23	06/30/24	-	-	22,238	25,144	-	-	(2,906)	-	-
Title II A	84.367A	S367A230029	15,532	07/01/22	06/30/23	(14,640)	-	14,585	-	55	-	-	-	-
Title II A	84.367A	S367A240029	16,141	07/01/23	06/30/24	-	-	16,732	18,623	-	-	(1,891)	-	-
Title III	84.365	S365A230030	1,264	07/02/22	06/30/23	(426)	-	-	-	24	-	(402)	-	-
Title III	84.365	S365A240030	2,206	07/01/23	06/30/24	-	-	3,992	3,992	-	-	-	-	-
Title IV	84.424	S424A230031	10,000	07/01/22	06/30/23	(4,838)	-	4,838	-	-	-	-	-	-
Title IV	84.424	S424A240031	10,000	07/01/23	06/30/24	-	-	4,815	5,317	-	-	(502)	-	-
COVID-19														
CRRSA - ESSER II	84.425D	S425D210027	70,178	03/13/20	09/30/23	(5,997)	-	6,307	965	680	-	-	25	-
CRRSA - Learning Acceleration	84.425D	S425D210027	25,000	03/13/20	09/30/23	(12,096)	-	13,496	1,400	-	-	-	-	-
CRRSA - Mental Health	84.425D	S425D210027	45,000	03/13/20	09/30/23	(21,830)	-	21,830	-	-	-	-	-	-
ARP - ESSER														
ARP - ESSER	84.425U	S425U210027	157,720	03/13/20	09/30/24	(13,647)	-	14,919	20,070	403	-	(18,395)	-	-
Accelerated Learning Coach and Educator Support	84.425U	S425U210027	97,534	03/13/20	09/30/24	(28,339)	-	52,679	21,902	-	-	-	2,438	-
Evidenced Based Comprehensive Beyond the School Day	84.425U	S425U210027	40,000	03/13/20	09/30/24	-	-	5,417	30,819	-	-	(25,402)	-	-
NJTSS Mental Health	84.425U	S425U210027	45,000	03/13/20	09/30/24	-	-	500	10,500	-	-	(10,000)	-	-
NJ High Impact Tutoring	21.027	SLFRFDOE1SES	75,912	10/11/23	08/31/24	-	-	-	50,771	-	-	(50,771)	-	-
Total Special Revenue Fund						(144,858)	-	571,955	635,951	2,173	-	(210,157)	3,476	-

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A (continued)
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Federal AL Number	FAIN Number	Program or Award Amount	Grant Period		Balance June 30, 2023		Cash Received	Budgetary Expenditure	Adjust- ment	Repayment of Prior Year Balance	Balance June 30, 2024		
				From	To	(Acct Rec) Def Revenue	Carryover Amount					Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of the Treasury passed through State Department of Community Affairs Enterprise Fund School and Small Business Noncompliant Plumbing Fixture and Appliance Program	21.027	N/A	\$ 146,774	02/01/23	09/21/23	\$ (146,774)	\$ -	\$ 146,774	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Department of Agriculture passed through State Department of Agriculture Enterprise Fund Child Nutrition Cluster National School Lunch Program Non-Cash Assistance (Commodities)	10.555	231NJ304N1099	49,207	07/01/22	06/30/23	7,354	-	-	7,354	-	-	-	-	-
Non-Cash Assistance (Commodities)	10.555	241NJ304N1099	49,352	07/01/23	06/30/24	-	-	49,352	44,998	-	-	-	4,354	-
Cash Assistance	10.555	231NJ304N1099	92,860	07/01/22	06/30/23	(6,533)	-	6,533	-	-	-	-	-	-
Cash Assistance	10.555	241NJ304N1099	96,678	07/01/23	06/30/24	-	-	63,965	96,678	-	-	(32,713)	-	-
School Breakfast Program	10.553	241NJ304N1099	611	07/01/23	06/30/24	-	-	411	611	-	-	(200)	-	-
Total Child Nutrition Cluster						821	-	120,261	149,641	-	-	(32,913)	4,354	-
P-EBT	10.555	231NJ304N1099	653	07/01/23	06/30/24	-	-	653	653	-	-	-	-	-
Supply Chain Assistance	10.555	231NJ304N1099	68,052	07/01/22	06/30/23	15,808	-	-	15,808	-	-	-	-	-
Supply Chain Assistance	10.555	241NJ304N1099	32,060	07/01/23	06/30/24	-	-	32,060	32,060	-	-	-	-	-
Total Enterprise Fund						(130,145)	-	299,748	198,162	-	-	(32,913)	4,354	-
Total Federal Awards						\$ (421,777)	\$ -	\$ 1,018,477	\$ 834,113	\$ 2,173	\$ -	\$ (243,070)	\$ 7,830	\$ -

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2023		Cash Received	Budgetary Expenditure	Adjustments/ Repayments	Balance June 30, 2024			Memo	
					Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
General Fund														
Transportation Aid	24-495-034-5120-014	\$ 856,058	07/01/23	06/30/24	\$ -	\$ -	\$ 764,193	\$ 856,058	\$ -	\$ -	\$ -	\$ -	\$ 91,865	\$ 856,058
Special Education Categorical Aid	24-495-034-5120-089	1,257,444	07/01/23	06/30/24	-	-	1,124,955	1,257,444	-	-	-	-	132,489	1,257,444
Security Aid	24-495-034-5120-084	112,897	07/01/23	06/30/24	-	-	100,782	112,897	-	-	-	-	12,115	112,897
School Choice Aid	24-495-034-5120-084	43,821	07/01/23	06/30/24	-	-	39,118	43,821	-	-	-	-	4,703	43,821
Extraordinary Aid	23-495-034-5120-044	1,152,335	07/01/22	06/30/23	(1,152,335)	-	1,152,335	-	-	-	-	-	-	1,152,335
Extraordinary Aid	24-495-034-5120-044	763,882	07/01/23	06/30/24	-	-	-	763,882	-	(763,882)	-	-	-	763,882
Non-Public Transportation Aid	23-495-034-5120-014	27,144	07/01/22	06/30/23	(27,144)	-	27,144	-	-	-	-	-	-	27,144
Non-Public Transportation Aid	24-495-034-5120-014	36,400	07/01/23	06/30/24	-	-	-	36,400	-	(36,400)	-	-	-	36,400
Reimbursed TPAF Social Security Contribution	23-495-034-5094-003	907,219	07/01/22	06/30/23	(45,521)	-	45,521	-	-	-	-	-	-	907,219
Reimbursed TPAF Social Security Contribution	24-495-034-5094-003	925,149	07/01/23	06/30/24	-	-	878,874	925,149	-	(46,275)	-	-	-	925,149
On-Behalf TPAF Pension Contribution - Teacher's Pension & Annuity Fund	24-495-034-5094-002	4,357,224	07/01/23	06/30/24	-	-	4,357,224	4,357,224	-	-	-	-	-	4,357,224
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	24-495-034-5094-004	49,692	07/01/23	06/30/24	-	-	49,692	49,692	-	-	-	-	-	49,692
On-Behalf TPAF Pension Contribution - Post Retirement Medical	24-495-034-5094-001	1,199,401	07/01/23	06/30/24	-	-	1,199,401	1,199,401	-	-	-	-	-	1,199,401
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	24-495-034-5094-004	1,628	07/01/23	06/30/24	-	-	1,628	1,628	-	-	-	-	-	1,628
Total General Fund					(1,225,000)	-	9,740,867	9,603,596	-	(846,557)	-	-	241,172	11,690,294
State Department of Education														
Special Revenue Fund														
N.J. Nonpublic Technology Aid	24-100-034-5120-373	17,150	07/01/23	06/30/24	-	-	17,150	17,150	-	-	-	-	-	17,150
N.J. Nonpublic Textbook Aid	24-495-034-5120-064	20,234	07/01/23	06/30/24	-	-	20,234	20,234	-	-	-	-	-	20,234
N.J. Nonpublic Nursing Services	24-100-034-5120-070	42,000	07/01/23	06/30/24	-	-	42,000	42,000	-	-	-	-	-	42,000
N.J. Nonpublic Security Aid	24-100-034-5120-509	71,750	07/01/23	06/30/24	-	-	71,750	71,750	-	-	-	-	-	71,750
N.J. Nonpublic Handicapped														
Examination and Classification	23-100-034-5120-066	47,206	07/01/22	06/30/23	-	3,412	-	-	3,412	-	-	-	-	43,794
Supplementary Instruction	23-100-034-5120-066	33,040	07/01/22	06/30/23	-	16,624	-	-	16,624	-	-	-	-	16,416
Corrective Speech	23-100-034-5120-066	14,880	07/01/22	06/30/23	-	2,790	-	-	2,790	-	-	-	-	12,090
N.J. Nonpublic Auxiliary Services														
Compensatory Education	24-100-034-5120-067	46,931	07/01/23	06/30/24	-	-	46,931	46,931	-	-	-	-	-	46,931
Initial Exam	24-100-034-5120-067	55,700	07/01/23	06/30/24	-	-	55,700	53,048	-	-	-	2,652	-	53,048
Annual Exam	24-100-034-5120-067	9,880	07/01/23	06/30/24	-	-	9,880	8,360	-	-	-	1,520	-	8,360
Corrective Speech	24-100-034-5120-067	16,740	07/01/23	06/30/24	-	-	16,740	4,703	-	-	-	12,037	-	4,703
Supplementary Instruction	24-100-034-5120-067	30,562	07/01/23	06/30/24	-	-	30,562	24,339	-	-	-	6,223	-	24,339
Preschool Expansion Aid	24-495-034-5120-086	966,030	07/01/23	06/30/24	-	-	869,427	591,705	-	-	374,325	-	96,603	591,705
Local Improvement Grant	N/A	72,000	07/01/23	06/30/24	-	-	72,000	72,000	-	-	-	-	-	72,000
OpenSciEd Elementary Field Test	N/A	9,000	07/01/23	06/30/24	-	-	-	7,450	-	(7,450)	-	-	-	7,450
SDA Emergent and Capital														
Maintenance Needs	N/A	26,435	07/01/23	06/30/24	-	-	26,435	26,130	-	-	305	-	-	26,130
School Climate	24-WB01-G02	6,660	07/01/22	06/30/23	(5,159)	-	4,606	-	(908)	-	355	-	-	4,250
Total Special Revenue Fund					(5,159)	22,826	1,283,415	985,800	21,918	(7,450)	374,985	22,432	96,603	1,062,350

See independent auditors' report.

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B (continued)
For the Fiscal Year Ended June 30, 2024

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To		Balance June 30, 2023		Cash Received	Budgetary Expenditure	Adjustments	Balance June 30, 2024			Memo	
					Deferred Rev. (Accts. Rec)	Due to Grantor				Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education														
Debt Service Fund														
Debt Service Aid - State Support	24-100-495-034-5120	\$ 540,373	07/01/23	06/30/24	\$ -	\$ -	\$ 540,373	\$ 540,373	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 540,373
State Department of Agriculture														
Enterprise fund														
State School Lunch Program	23-100-010-3350-023	5,347	07/01/22	06/30/23	(378)	-	378	-	-	-	-	-	-	5,347
State School Lunch Program	24-100-010-3350-023	6,033	07/01/23	06/30/24	-	-	4,935	6,033	-	(1,098)	-	-	-	6,033
State School Breakfast Program	24-100-010-3350-023	69	07/01/23	06/30/24	-	-	55	69	-	(14)	-	-	-	69
Total Enterprise fund					(378)	-	5,368	6,102	-	(1,112)	-	-	-	11,449
Total State Financial Assistance					<u>\$ (1,230,537)</u>	<u>\$ 22,826</u>	<u>\$ 11,570,023</u>	11,135,871	<u>\$ 21,918</u>	<u>\$ (855,119)</u>	<u>\$ 374,985</u>	<u>\$ 22,432</u>	<u>\$ 337,775</u>	<u>\$ 13,304,466</u>
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution - Teachers' Pension & Annuity Fund	24-495-034-5094-002	4,357,224	07/01/23	06/30/24				4,357,224						
On-Behalf TPAF Pension Contribution - Non-Contributory Insurance	24-495-034-5094-004	49,692	07/01/23	06/30/24				49,692						
On-Behalf TPAF Pension Contribution - Postretirement Medical	24-495-034-5094-001	1,199,401	07/01/23	06/30/24				1,199,401						
On-Behalf TPAF Pension Contribution - Long-Term Disability Insurance	24-495-034-5094-004	1,628	07/01/23	06/30/24				1,628						
Total for State Financial Assistance - Major Program Determination								<u>\$ 5,527,926</u>						

See independent auditors' report.

CLINTON TOWNSHIP 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 - General

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance present the activity of all federal awards and state financial assistance programs of the Clinton Township School District. The District is defined in Note 1 (A) to the District's Basic Financial Statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the Schedules of Expenditures of Federal Awards and State Financial Assistance.

Note 2 - Basis of accounting

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are 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 bases of accounting are described in Notes 1 (C) and 1 (D) to the District's Basic Financial Statements.

Note 3 - Relationship of financial statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$54,141) for the general fund and (\$81,800) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

CLINTON TOWNSHIP SCHOOL DISTRICT
Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2024

Note 3 - Relationship of financial statement (continued)

Financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	Federal	State	Total
General fund	\$ -	\$ 9,549,455	\$ 9,549,455
Special revenue fund	621,342	918,609	1,539,951
Debt service fund	-	540,373	540,373
Food service fund	198,162	6,102	204,264
Total awards and financial assistance	<u>\$ 819,504</u>	<u>\$ 11,014,539</u>	<u>\$ 11,834,053</u>

Note 4 - Relationship to federal and state financial reports

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

Note 5 - Other

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions respectively. The amount reported as TPAF Pension contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2024. TPAF Social Security contribution 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.

Note 6 - Indirect costs

The District has elected not to utilize the 10% de minimis indirect cost rate.

Note 7 - Adjustments on the Schedule of Federal Awards

On Schedule A, the adjustment for the ARP Basic for \$1,011, Title II for \$55, Title II for \$24, CRRSA – ESSER II for \$680 and ARP ESSER Accelerated Learning Coach and Educator Support for \$403 are relating to cancelled prior year encumbrances and payables.

Note 8 - Adjustments on the Schedule of State Awards

On Schedule B, the adjustment for the School Climate grant of \$791 is relating to cancelled prior year encumbrances and payables.

**OTHER REPORTING REQUIRED BY
GOVERNMENT AUDITING STANDARDS - PART II**

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unmodified

Internal Control Over Financial Reporting:

1. Were material weakness(es) identified?

☐ Yes ☒ No

2. Were significant deficiencies identified?

☐ Yes ☒ None reported

Noncompliance material to Basic
Financial Statements noted?

☐ Yes ☒ No

Federal Awards

Internal Control Over Major Programs:

1. Were material weakness(es) identified?

☐ Yes ☒ No

2. Were significant deficiencies identified?

☐ Yes ☒ None reported

What was the type of auditors' report issued on compliance for
major programs?

Unmodified

Were any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200 Section .516(a)?

☐ Yes ☒ No

Identification of Major Programs:

AL Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
		<i>Special education cluster:</i>
<i>84.027A</i>	<i>H027A240100</i>	<i>IDEA Basic</i>
<i>84.173A</i>	<i>H173A240114</i>	<i>IDEA Preschool</i>
<i>84.173X</i>	<i>H027X230100</i>	<i>ARP – IDEA Preschool</i>

What was the dollar threshold used to distinguish between Type
A and Type B programs?

\$750,000

Did the auditee qualify as a low-risk auditee?

☒ Yes ☐ No

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section I - Summary of Auditors' Results (continued)

State Awards

What was the dollar threshold used to distinguish between Type A and Type B programs? \$750,000

Did the auditee qualify as a low-risk auditee? X Yes No

Internal Control Over Major Programs:

1. Were material weakness(es) identified? Yes X No

2. Were there significant deficiencies identified that are not considered to be material weaknesses? Yes X None reported

What was the type of auditors' report issued on compliance for major programs? Unmodified

Were any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 15-08 as applicable? Yes X No

Identification of Major Programs:

<u>State Grant/Project Numbers</u>	<u>Name of State Program</u>
<u>24-495-034-5120-089</u>	<u>State Aid Public Cluster:</u>
<u>24-495-034-5120-078</u>	<u>Special Education Categorical Aid</u>
<u>24-495-034-5120-084</u>	<u>Equalization Aid</u>
<u>24-495-034-5120-014</u>	<u>Security Aid</u>
<u>24-495-034-5120-086</u>	<u>Categorical Transportation</u>
	<u>Preschool Expansion Grant</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section II - Financial Statement Findings

There were no findings or questioned costs for the fiscal year ended June 30, 2024.

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

There were no findings or questioned costs for the fiscal year ended June 30, 2024.

**CLINTON TOWNSHIP SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2024**

Status of Prior Year Findings

There were no prior year findings or questioned costs.