

**SCHOOL DISTRICT
OF**

**DELRAN
TOWNSHIP**

**Delran Township Board of Education
Delran, New Jersey**

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

Annual Comprehensive Financial Report

of the

Delran Township Board of Education

Delran, New Jersey

For the Fiscal Year Ended June 30, 2024

**Prepared by
Delran Township Board of Education
Finance Department**

DELRAN TOWNSHIP SCHOOL DISTRICT

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Introductory Section

DELRAN TOWNSHIP BOARD OF EDUCATION
52 Hartford Road
Delran, New Jersey 08075
856-461-6800

Dr. Lisa Della Vecchia
Interim Superintendent of Schools

Robert Delengowski
Interim Business Administrator/
Board Secretary

December 20, 2024

Honorable President and
Members of the Board of Education
Delran Township School District
Delran, NJ 08075

Dear Board Members:

The Annual Comprehensive Financial Report (ACFR) of the Delran Township School District for the fiscal year ended June 30, 2024 is hereby submitted. This ACFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of federal regulations, cost principals, and audit requirements for federal award (uniform guidance): and the State of New Jersey Circular OMB15-08. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Delran School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Delran Public Schools 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 12. These include regular vocational as well as special education or handicapped youngsters. The District completed the 23-24 fiscal year with an average daily enrollment of 2,870 students, which is 4 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last 10 years.

Average Daily Enrollment		
Fiscal Year	Student Enrollment	Percent Change
2023-2024	2,870	-0.14%
2022-2023	2,874	-0.002%
2021-2022	2,882	-0.41%
2020-2021	2,894	-3.02%
2019-2020	2,984	0.81%
2018-2019	2,961	0.50%
2017-2018	2,946	-1.21%
2016-2017	2,982	-1.26%
2015-2016	3,020	1.38%
2014-2015	2,979	0.78%

2) ECONOMIC CONDITION AND OUTLOOK: Starting during the 2022-23 school year there had been noticeable residential growth in the area of Hartford Road and Creek Road with two parallel developments. The growth in this area has continued as well as commercial development along the route 130 corridor.

3) MAJOR INITIATIVES: The district had an approved bond referendum for construction of school building projects:

- Millbridge School Partial roof replacement
- Millbridge School: Interior Door Replacements (Fire Rated, ADA Intruder Locks)
Ceiling Replacements
Hall bathrooms ADA compliance
- Intermediate School HVAC Pneumatic Controls replaced
- Middle School additional staff parking lot
- High School Culinary Arts Classroom complete renovation
- All Schools will have security upgrades throughout along with a new Emergency Notification System

These projects started in the 2022-23 school year and were completed in the 2023-24 school year. There remains technology upgrades and HVAC Controls to be completed in the 2024-25 school year.

The district continues to fund sustainability project managers at each school as well as robotics and engineering coaches. These initiatives are also coupled with the influx of a new mandated curricula in the area of science, called Next Generation Science Standards.

In the area of professional staff evaluation, the continues to implement the Marshall Evaluation Rubric.

In literacy, the district continues to implement the Readers Workshop model from Teachers' College at the K-8 level and has added a pilot of HMH Into Reading to remain complaint with the updated New Jersey State Standards. The district has supported professional development, curricula drafting and the funding of literacy coaches to see this work through. We are examining this curriculum for future revisions and have dedicated resources in FY25.

As our English language learner and special education populations have increased, we have continued to implement programs that incorporate assistive technology as well as Universally Designed Differentiated Instructional practices in order to support our most at risk learners. This

has allowed us to aggressively pursue opportunities for Least Restrictive Environments for special education students. Additionally, there is considerable focus on special education programs at the high school level and programs for special education students until the age of 21.

The district continues to implement Positive Behavior Supports in Schools for all students, with a particular focus on students who require additional behavioral supports.

The district continues to engage with the community in a host of ways. The Delran Education Foundation was established by local residents and has funded several thousand dollars' worth of education programming in the area of STEM. The district is establishing parent feedback protocols for each school, as well as the district level in order to assess our progress and development of our mission for a five-year plan.

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

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2024.

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

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statement", Note 2. The District has adopted a

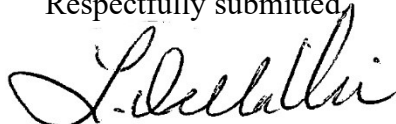
cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution 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.

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

9) OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accounts. The accounting firm of Inverso and Stewart, LLC, preforms the annual statutory audit of the Delran Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, cost principles, and audit requirements for federal awards (uniform guidance): and State of New Jersey Circular OMB15-08. The auditor’s report on the general purpose financial statements and combining and individual fund statements and schedules is in the financial section of this report. The auditor’s report related specifically to the single audit is included in the single audit section of this report.

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the staff of the Delran Public Schools for their concern in providing fiscal accountability to the citizens and taxpayers of the 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 the support staff employed in the Business Office.

Respectfully submitted,

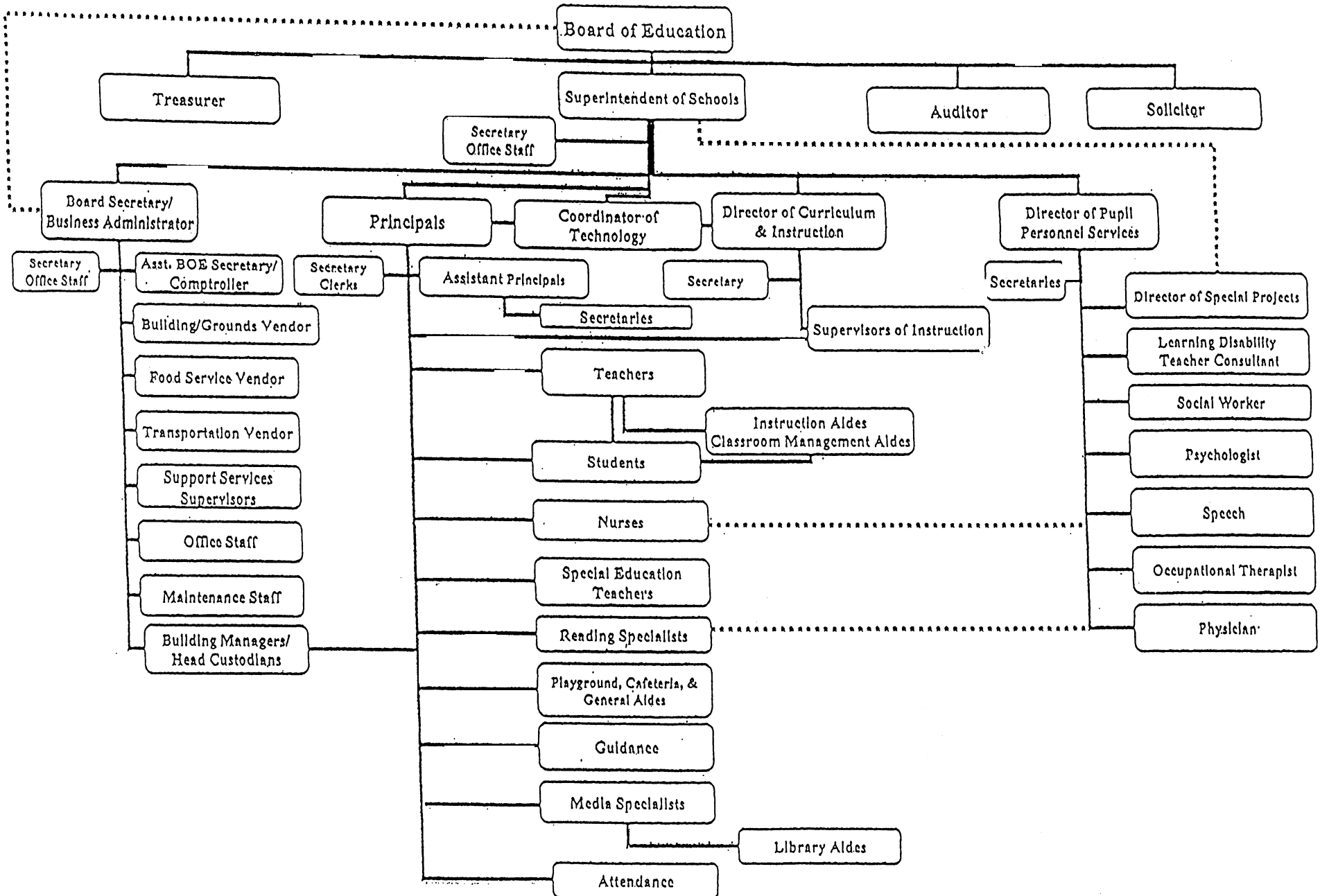


Lisa Della Vecchia
Superintendent of Schools



Robert Delengowski
Acting School Business Administrator/
Board Secretary

DELRAN BOARD OF EDUCATION
Organizational Chart



**DELRAN BOARD OF EDUCATION
DELRAN, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2024**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Glenn Kitley, President	2025
Joseph Biluck Jr., Vice President	2026
John Brophy	2024
Mark Chierici	2025
Jeffrey Dzurandin	2024
Michael Mongon	2025
Mark Oberg	2024
Amy Rafanello	2024
Eileen Wachter	2026

Other Officials

Lisa Della Vecchia, Interim Superintendent
Anisah Coppin, Business Administrator/Board Secretary
Jonathan Busch, Esq., Solicitor

DELRAN TOWNSHIP SCHOOL DISTRICT
Consultants and Advisors

Audit Firm

Inverso & Stewart, LLC
651 Route 73 North, Suite 402
Marlton, NJ 08053

Attorney

Busch Law Group
405 Main Street
Metuchen, NJ 08840

Architect

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

Official Depository

TD Bank
1050 South Chester Avenue
Delran, NJ 08075

Financial Section

INVERSO & STEWART, LLC
Certified Public Accountants

651 Route 73 North, Suite 402
Marlton, New Jersey 08053
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-Member of-
American Institute of CPAs
New Jersey Society of CPAs

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

I 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 Delran Township School District (the "District"), in the County of Burlington, State of New Jersey, 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 as listed in the table of contents.

In my 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 Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, I:

- 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 my 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.

I am 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 I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post-employment benefits, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Office of School Finance, Department of Education, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedules of federal awards and state financial assistance, as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost principles, and Audit Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 my opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

In connection with my audit of the basic financial statements, my 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, I am required to describe it in my report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated December 20, 2024, on my consideration of the District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 20, 2024

Required Supplementary Information - Part I

Management's Discussion and Analysis

**Delran Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024**

As management of the Board of Education of the Township of Delran, New Jersey (School District), we offer readers of the School District's financial statements this narrative overview and analysis of the School District for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the School District exceeded the liabilities at the close of the most recent fiscal year by \$6,040,609 (*net position*).
- Governmental activities have an unrestricted net position deficit of \$9,449,052. The accounting treatments in the governmental funds for compensated absences payable, net pension liability, the June state aid payments, and the state statute that prohibits a school district from maintaining more than 2% of its adopted budget as unrestricted fund balance are primarily responsible for this deficit balance.
- The total net position of the School District increased by \$275,762 or a 4.78% increase from the prior fiscal year-end balance. The majority of the decrease is attributable to the results of operations in the Governmental Funds.
- Fund balance of the School District's governmental funds decreased by \$1,575,324 resulting in an ending fund balance of \$24,362,280. The majority of the decrease is attributable to the results of operations in the Capital Projects Fund.
- Business-type activities have an unrestricted net position of \$223,970 which may be used to meet the School District's ongoing obligations of the food service operations.
- The School District's long-term obligations increased by \$575,053 which is due to the net changes in compensated absences, financed purchases payable, general obligation bonds, and net pension liability.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the School District's basic financial statements. Comparison to the prior year's activity is provided in this document. The basic financial statements are comprised of three components: 1) District-wide financial statements, 2) Fund financial statements, and 3) Notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

District-wide Financial Statements

The *district-wide financial statements* are designed to provide the reader with a broad overview of the financial activities in a manner similar to a private-sector business. The district-wide financial statements include the statement of net position and the statement of activities.

The *statement of net position* presents information about all of the School District's assets and liabilities. The difference between the assets and liabilities is reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the School District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the School District changed during the current fiscal year. Changes in net position are recorded in the statement of activities when the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement even though the resulting cash flows may be recorded in a future period.

Both of the district-wide financial statements distinguish functions of the School District that are supported from taxes and intergovernmental revenues (*governmental activities*) and other functions that are intended to recover all or most of their costs from user fees and charges (*business-type activities*). Governmental activities consolidate governmental funds including the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund. Business-type activities include the Food Service Fund.

Fund Financial Statements

Fund financial statements are designed to demonstrate compliance with finance-related requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific objectives. All of the funds of the School District are divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental funds account for essentially the same information reported in the governmental activities of the district-wide financial statements. However, unlike the district-wide financial statements, the governmental fund financial statements focus on near-term financial resources and fund balances. Such information may be useful in evaluating the financing requirements in the near term.

Since the governmental funds and the governmental activities report information using the same functions, it is useful to compare the information presented. Because the focus of each report differs, a reconciliation is provided on the fund financial statements to assist the reader in comparing the near-term requirements with the long-term needs.

The School District maintains four individual governmental funds. The major funds are the General Fund, the Special Revenue Fund, the Capital Projects Fund, and the Debt Service Fund. They are presented separately in the fund financial statements.

The School District adopts an annual appropriated budget for the General Fund, Special Revenue Fund and the Debt Service Fund. A budgetary comparison statement has been provided for each of these funds to demonstrate compliance with budgetary requirements.

Proprietary funds are used to present the same functions as the business-type activities presented in the district-wide financial statements. The School District maintains one type of proprietary fund - the Enterprise Fund. The fund financial statements of the enterprise fund provides the same information as the district-wide financial statements, only in more detail.

The School District's enterprise fund (Food Service Fund) is considered to be a major fund.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the district-wide financial statements because the resources of those funds are not available to support the School District's programs.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains other supplementary information and schedules required by the New Jersey Audit Program, issued by the New Jersey Department of Education.

District-wide Financial Analysis

The assets of the School District are classified as current assets and capital assets. Cash, investments, receivables, inventories and prepaid expenses are current assets. These assets are available to provide resources for the near-term operations of the School District. The majority of the current assets are the results of the tax levy and state aid collection process.

Capital assets are used in the operations of the School District. These assets are land, buildings, improvements, equipment and vehicles. Capital assets are discussed in greater detail in the section titled, Capital Assets and Debt Administration, elsewhere in this analysis.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits, unearned revenues, and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2025. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2025.

The assets of the primary government activities exceeded liabilities by \$5,261,192 with an unrestricted deficit balance of \$9,449,052. The net position of the primary government does not include internal balances.

A net investment of (\$8,307,295) in land, improvements, buildings, equipment, and vehicles provides the services to the School District's 2,840 public school students. Net position of \$18,608,686 has been restricted to provide resources for future capital expansion and renovation projects, \$1,228,672 has been restricted for budget appropriation, \$2,243,968, is reserved for maintenance, \$78,849 is reserved for unemployment compensation, \$413,898 is reserved for debt service, and \$443,466 is reserved for student activities.

As mentioned earlier, the deficit unrestricted net position is primarily due to the accounting treatment for compensated absences payable, net pension liability, the June state aid payments, and state statutes that prohibit a school district from maintaining more than 2% of its adopted budget as unrestricted fund balance.

Delran Township School District
Comparative Summary of Net Position
As of June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		District-Wide	
	2024	2023	2024	2023	2024	2023
ASSETS						
Current assets	\$ 24,511,878	\$ 28,909,588	\$ 518,839	\$ 621,677	\$ 25,030,717	\$ 29,531,265
Capital assets	19,309,839	16,963,968	555,447	609,512	19,865,286	17,573,480
Total assets	43,821,717	45,873,556	1,074,286	1,231,189	44,896,003	47,104,745
Deferred Loss on Defeasance	766,636	894,409			766,636	894,409
Deferred Outflows of Resources	1,036,998	1,250,285			1,036,998	1,250,285
LIABILITIES						
Current liabilities	4,071,729	6,441,849	294,869	191,618	4,366,598	6,633,467
Noncurrent liabilities	35,870,571	35,805,867			35,870,571	35,805,867
Total Liabilities	39,942,300	42,247,716	294,869	191,618	40,237,169	42,439,334
Deferred Inflows of Resources	421,859	1,045,258			421,859	1,045,258
Net Position	\$ 5,261,192	\$ 4,725,276	\$ 779,417	\$ 1,039,571	\$ 6,040,609	\$ 5,764,847
Net Position Consists of:						
Net investment in						
Capital Assets	\$ (8,307,295)	\$ (12,660,012)	\$ 555,447	\$ 609,512	\$ (7,751,848)	\$ (12,050,500)
Restricted Assets	23,017,539	20,921,125			23,017,539	20,921,125
Unrestricted Assets	(9,449,052)	(3,535,837)	223,970	430,059	(9,225,082)	(3,105,778)
Net Position	\$ 5,261,192	\$ 4,725,276	\$ 779,417	\$ 1,039,571	\$ 6,040,609	\$ 5,764,847

Governmental Activities

Governmental activities increased the net position of the School District by \$535,916 during the current fiscal year. Key elements of the increase in net position for governmental activities are as follows:

- The net change in fund balances of the Governmental Funds was (\$1,575,324).
- Capital outlay exceeded depreciation by \$2,356,900.

Business-type Activities

Business-type activities decreased the School District's net position by \$260,154. Key elements of the decrease in net position for business-type activities are as follows:

- The Food Services Fund had a net loss of \$260,154 for this fiscal year.

Delran Township School District
Comparative Schedule of Changes in Net Position
As of and for the Fiscal Year Ended June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		District-Wide	
	2024	2023	2024	2023	2024	2023
Revenues:						
Charges for services	\$ 133,101	\$ 200,996	\$ 719,658	\$ 743,698	\$ 852,759	\$ 944,694
Operating Grants and contributions	21,416,048	19,917,972	643,856	775,612	22,059,904	20,693,584
Property taxes	35,472,235	35,305,241			35,472,235	35,305,241
State aid - unrestricted	27,378,488	23,915,751			27,378,488	23,915,751
Tuition	-	-			-	-
Other revenues	1,094,175	735,957	13,913	8,157	1,108,088	744,114
Total Revenues	<u>85,494,047</u>	<u>80,075,917</u>	<u>1,377,427</u>	<u>1,527,467</u>	<u>86,871,474</u>	<u>81,603,384</u>
Expenses:						
Governmental Activities:						
Instruction	28,963,386	25,258,979			28,963,386	25,258,979
Tuition	2,167,256	2,073,815			2,167,256	2,073,815
Related Services	9,123,404	8,665,476			9,123,404	8,665,476
Administrative Services	3,110,404	3,044,906			3,110,404	3,044,906
Operations and Maintenance	10,448,707	8,872,525			10,448,707	8,872,525
Transportation	3,422,982	3,504,676			3,422,982	3,504,676
Employee benefits	26,921,130	25,121,172			26,921,130	25,121,172
Charter Schools	6,192	12,618			6,192	12,618
Interest on debt	793,787	661,318			793,787	661,318
Other	883	7,848			883	7,848
Business-Type Activities:						
Food Service			1,637,581	1,604,551	1,637,581	1,604,551
Total Expenses	<u>84,958,131</u>	<u>77,223,333</u>	<u>1,637,581</u>	<u>1,604,551</u>	<u>86,595,712</u>	<u>78,827,884</u>
Increase (Decrease) in Net Position before transfers	535,916	2,852,584	(260,154)	(77,084)	275,762	2,775,500
Transfers						
Change in Net Position	535,916	2,852,584	(260,154)	(77,084)	275,762	2,775,500
Net Position, July 1	4,725,276	1,872,692	1,039,571	1,116,655	5,764,847	2,989,347
Net Position, June 30	<u>\$ 5,261,192</u>	<u>\$ 4,725,276</u>	<u>\$ 779,417</u>	<u>\$ 1,039,571</u>	<u>\$ 6,040,609</u>	<u>\$ 5,764,847</u>

Financial Analysis of the Governmental Funds

As noted earlier, the School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the School District's governmental funds reported a combined ending fund balance of \$24,362,280, a decrease of \$1,575,324 in comparison with the prior year. This decrease is due to the results of operations in the Capital Projects Fund.

The unreserved fund balance for the School District at the end of the fiscal year includes a combination of a deficit unreserved fund balance for the General Fund of \$1,309,867. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) as restricted cash reserved for future capital outlay expenditures \$18,608,686, 2) appropriated as a revenue source in the subsequent year's budget \$128,132, 3) reserved for unemployment compensation \$78,849, 4) reserved for encumbrances \$2,526,476, 5) reserved for maintenance \$2,243,968, 6) reserved for student activities \$443,466, 7) reserved for debt service \$413,898 8) reserved for future budget appropriation \$1,228,672.

The general fund is the chief operating fund of the School District. As discussed earlier, the balance in the unreserved fund balance is due primarily to the accounting treatment of the June state aid payments and state statutes that prohibit a New Jersey school district from maintaining more than 2% of its adopted budget as unrestricted fund balance.

General Fund Budgetary Highlights

At the end of the current fiscal year, unreserved fund balance (budgetary basis) of the General Fund was \$1,272,265, while total fund balance (budgetary basis) was \$17,858,787. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance (budgetary basis) and total fund balance (budgetary basis) to total general fund expenditures. Actual (budgetary basis) expenditures of the General Fund including other financing uses amounted to \$72,876,610. Unreserved fund balance (budgetary basis) represents 1.75% of expenditures while total fund balance (budgetary basis) represents 24.51% of that same amount.

Capital Asset and Debt Administration

The School District's investment in capital assets for its governmental and business-type activities as of June 30, 2024, totaled \$17,606,396 (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings, equipment, vehicles, and right-to-use assets. The total increase in the District's investment in capital assets for the current fiscal year was \$52,059, or a 0.30% increase. The decrease is due to depreciation less current year additions.

Delran Township School District Capital Asset (net of accumulated depreciation) June 30, 2024 and 2023

	Governmental Activities		Business-Type Activities		District-Wide	
	2024	2023	2023	2023	2024	2023
Construction in Progress	\$ 777,764	\$ 777,764	\$ -	\$ -	\$ 777,764	\$ 777,764
Building and Building Improvements	15,091,513	15,476,738			15,091,513	15,476,738
Equipment	1,159,616	676,381	555,447	609,512	1,715,063	1,266,750
Subscription Assets	22,056	33,085			22,056	33,085
Net Assets	<u>\$ 17,050,949</u>	<u>\$ 16,963,968</u>	<u>\$ 555,447</u>	<u>\$ 609,512</u>	<u>\$ 17,606,396</u>	<u>\$ 17,554,337</u>

Additional information on the School District's capital assets can be found in the notes to the basic financial statements (Note 5) of this report.

Long-term debt – During the fiscal year ended June 30, 2024, the School District had total bonded debt outstanding of \$25,017,000. Additionally, the School District has long-term obligations for financed purchases in the amount of \$2,991,704, \$3,964,457 in compensated absences, \$22,039 in Subscription-Based IT Arrangements, and \$6,502,349 in net pension liability.

General obligation bonds for the School District decreased by \$1,980,000 during the current fiscal year due to principal repayment.

State statutes limit the amount of general obligation debt that the District may issue. At the end of the current fiscal year, the legal debt limit was \$77,596,291, and the available borrowing capacity was \$52,956,291.

Additional information on the School District's long-term obligations can be found in the notes to the basic financial statements (Note 8) of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered and incorporated into the preparation of the School District's budget for the 2024-25 fiscal year.

- For the 2024-25 fiscal year, the School District will be receiving an increase in state aid. The local tax levy in the General Fund increased by \$666,872 or 2.00%. Salaries continue to increase contractually; however, the District has managed to control costs. The 2024-25 General Fund Budget is \$541,794 less than the previous year or a 0.83% decrease. The district tax rate increased from \$2.470 in 2023 to \$2.471 in 2024.

For the Future

The Delran Township School District is in very good financial condition presently. However, a major concern is maintaining aging buildings of the district with an increased reliance on local property taxes as state aid has remained stagnant. Delran Township is primarily a residential community, with very few large ratables; thus the burden is placed primarily on homeowners.

The Delran Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Requests for Information

This financial report is designed to provide a general overview of the School District's finances for all those with an interest in the School District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Delran School District Business Administrator, 52 Hartford Rd., Delran, New Jersey 08075.

Basic Financial Statements

District-Wide Financial Statements

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

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 11,099,952	\$ 411,554	\$ 11,511,506
Accounts Receivables, net	987,533	91,167	1,078,700
Inventory		16,118	16,118
Restricted assets:			
Cash and cash equivalents	12,424,393		12,424,393
Capital assets, net	19,287,783	555,447	19,843,230
Subscription assets, net	22,056		22,056
Total Assets	43,821,717	1,074,286	44,896,003
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred loss on defeasance	766,636		766,636
Deferred outflows of resources from pensions	1,036,998	-	1,036,998
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	45,625,351	1,074,286	46,699,637
LIABILITIES:			
Accounts payable:			
Other	164,361	96,910	261,271
Related to pensions	633,134		633,134
Intergovernmental Accounts payable:			
State	30,357		30,357
Internal Balances	(153,912)	153,912	
Accrued Liabilities:			
Interest payable	308,992		308,992
Unearned revenue	108,792	44,047	152,839
Noncurrent liabilities:			
Due within one year	2,980,005		2,980,005
Due beyond one year	35,870,571		35,870,571
Total Liabilities	39,942,300	294,869	40,237,169
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows of resources from pensions	421,859	-	421,859
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	40,364,159	294,869	40,659,028
NET POSITION:			
Net investment in capital assets	(8,307,295)	555,447	(7,751,848)
Restricted for:			
Capital projects	18,608,686		18,608,686
Maintenance	2,243,968		2,243,968
Excess Surplus	1,228,672		1,228,672
Unemployment Compensation	78,849		78,849
Debt Service	413,898		413,898
Student Activities	443,466		443,466
Unrestricted (Deficit)	(9,449,052)	223,970	(9,225,082)
Total Net Position	\$ 5,261,192	\$ 779,417	\$ 6,040,609

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 20,358,171	\$ -	\$ 764,714	\$ -	\$ (19,593,457)	\$ -	\$ (19,593,457)
Special Education	6,010,612	133,101	717,239		(5,160,272)		(5,160,272)
Other instruction	2,594,603				(2,594,603)		(2,594,603)
Support Services:							
Tuition	2,167,256				(2,167,256)		(2,167,256)
Student & instruction related services	9,123,404		1,555,171		(7,568,233)		(7,568,233)
General administrative services	869,268				(869,268)		(869,268)
School administrative services	1,665,024				(1,665,024)		(1,665,024)
Central administrative services	576,112				(576,112)		(576,112)
Plant operations and maintenance	10,448,707		787,616		(9,661,091)		(9,661,091)
Pupil transportation	3,422,982				(3,422,982)		(3,422,982)
Unallocated employee benefits	26,921,130		17,591,308		(9,329,822)		(9,329,822)
Transfer of funds to Charter Schools	6,192				(6,192)		(6,192)
Interest on long-term debt	793,787				(793,787)		(793,787)
Unallocated depreciation and amortization	883				(883)		(883)
Total Governmental Activities	<u>84,958,131</u>	<u>133,101</u>	<u>21,416,048</u>	<u>-</u>	<u>(63,408,982)</u>	<u>-</u>	<u>(63,408,982)</u>
Business-Type Activities:							
Food service	<u>1,637,581</u>	<u>719,658</u>	<u>643,856</u>	<u>-</u>	<u>-</u>	<u>(274,067)</u>	<u>(274,067)</u>
Total Business-Type Activities	<u>1,637,581</u>	<u>719,658</u>	<u>643,856</u>	<u>-</u>	<u>-</u>	<u>(274,067)</u>	<u>(274,067)</u>
Total Primary Government	<u>\$ 86,595,712</u>	<u>\$ 852,759</u>	<u>\$ 22,059,904</u>	<u>\$ -</u>	<u>(63,408,982)</u>	<u>(274,067)</u>	<u>(63,683,049)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes					33,343,638		33,343,638
Taxes levied for debt service					2,128,597		2,128,597
Federal and State aid unrestricted					27,378,488		27,378,488
Investment and Interest earnings - restricted					466,727		466,727
Miscellaneous					627,448	13,913	641,361
Total general revenues, special items, extraordinary items and transfers					<u>63,944,898</u>	<u>13,913</u>	<u>63,958,811</u>
Change in Net Position					535,916	(260,154)	275,762
Net Position - July 1					<u>4,725,276</u>	<u>1,039,571</u>	<u>5,764,847</u>
Net Position - June 30					<u>\$ 5,261,192</u>	<u>\$ 779,417</u>	<u>\$ 6,040,609</u>

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

Fund Financial Statements

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Assets:					
Cash and Cash Equivalents	\$ 14,001,930	\$ 880,256	\$ 8,642,159	\$ -	\$ 23,524,345
Interfund Accounts Receivable:					
Capital Projects Fund				413,898	413,898
Special Revenue Fund	783,225				783,225
Enterprise Fund	153,912				153,912
Intergovernmental Accounts Receivables:					
State	448,692				448,692
Federal		524,241			524,241
Other		12,900			12,900
Other Accounts Receivable	1,700				1,700
Total Assets	<u>15,389,459</u>	<u>1,417,397</u>	<u>8,642,159</u>	<u>413,898</u>	<u>25,862,913</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Accounts Payable:					
General Fund		783,225			783,225
Debt Service Fund			413,898		413,898
Intergovernmental Accounts Payable:					
State		30,357			30,357
Accounts Payable:					
Payroll Deductions and Withholdings Payable	2,030				2,030
Unemployment Claims Payable	99,090				99,090
Other	3,159	60,082			63,241
Unearned Revenue	8,525	100,267			108,792
Total Liabilities	<u>112,804</u>	<u>973,931</u>	<u>413,898</u>	<u>-</u>	<u>1,500,633</u>
Fund Balances:					
Restricted:					
Capital Reserve	10,380,425				10,380,425
Maintenance Reserve	2,243,968				2,243,968
Excess Surplus	1,228,672				1,228,672
Unemployment Compensation	78,849				78,849
Capital Projects			3,164,322		3,164,322
Debt Service				287,951	287,951
Student Activities		443,466			443,466
Assigned to:					
Other Purposes	2,526,476		5,063,939		7,590,415
Designated for Subsequent Year's Expenditures	128,132			125,947	254,079
Unassigned	(1,309,867)				(1,309,867)
Total Fund Balances	<u>15,276,655</u>	<u>443,466</u>	<u>8,228,261</u>	<u>413,898</u>	<u>24,362,280</u>
Total Liabilities and Fund Balances	<u>\$ 15,389,459</u>	<u>\$ 1,417,397</u>	<u>\$ 8,642,159</u>	<u>\$ 413,898</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$67,374,256 and the accumulated depreciation is \$48,086,473.	19,287,783
Subscription assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$44,113 and the accumulated amortization is \$22,057.	22,056
Deferred Loss on Defeasance	766,636
Accrued interest is not due and payable in the current period and therefore is not reported as a liability in the funds.	(308,992)
Accounts payable related to the April 1, 2025 required PERS contribution that is not to be liquidated with current financial resources.	(633,134)
The District's proportionate share of net pension assets and liabilities as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:	
Deferred Outflows of Resources from Pensions	\$ 1,036,998
Net Pension Liability	(6,502,349)
Deferred Inflows of Resources from Pensions	(421,859)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
General Obligation Bonds	(25,017,000)
Bond Premium	(353,027)
Financed Purchase Payable	(2,991,704)
Subscription-Based IT Arrangements	(22,039)
Compensated Absences	(3,964,457)
Net position of governmental activities	<u>\$ 5,261,192</u>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local property tax levy	\$ 33,343,638	\$ -	\$ -	\$ 2,128,597	\$ 35,472,235
Tuition charges	133,101				133,101
Interest earned on Capital Reserve Funds	135,999				135,999
Interest earned on Maintenance Reserve Funds	42,777				42,777
Other restricted miscellaneous revenue			287,951		287,951
Unrestricted miscellaneous revenue	627,448				627,448
Local sources		1,096,381			1,096,381
State sources	38,907,004	156,452		624,832	39,688,288
Federal sources	81,099	2,640,502			2,721,601
Total revenues	<u>73,271,066</u>	<u>3,893,335</u>	<u>287,951</u>	<u>2,753,429</u>	<u>80,205,781</u>
EXPENDITURES:					
Current expense:					
Regular instruction	16,665,415	764,714			17,430,129
Special education instruction	5,293,373	717,239			6,010,612
Other instruction	2,594,603				2,594,603
Support services and undistributed costs:					
Tuition	2,167,256				2,167,256
Student & instruction related services	7,642,797	1,480,607			9,123,404
General administrative services	745,758				745,758
School administrative services	1,665,024				1,665,024
Central services	475,477				475,477
Admin. Info. Tech	100,635				100,635
Plant operations and maintenance	5,039,304				5,039,304
Pupil transportation	3,422,982				3,422,982
Unallocated employee benefits	22,090,144	68,595			22,158,739
Capital outlay	4,967,650	787,616	2,258,890		8,014,156
Transfer of funds to charter schools	6,192				6,192
Debt service:					
Principal				1,980,000	1,980,000
Interest and other charges				846,834	846,834
Total expenditures	<u>72,876,610</u>	<u>3,818,771</u>	<u>2,258,890</u>	<u>2,826,834</u>	<u>81,781,105</u>
Excess (deficiency) of revenues over (under) expenditures	<u>394,456</u>	<u>74,564</u>	<u>(1,970,939)</u>	<u>(73,405)</u>	<u>(1,575,324)</u>
Other Financing Sources (Uses):					
Bond proceeds					-
Operating transfer in				287,951	287,951
Operating transfer out			(287,951)		(287,951)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(287,951)</u>	<u>287,951</u>	<u>-</u>
Net change in fund balance	394,456	74,564	(2,258,890)	214,546	(1,575,324)
Fund balances, July 1	<u>14,882,199</u>	<u>368,902</u>	<u>10,487,151</u>	<u>199,352</u>	<u>25,937,604</u>
Fund balances, June 30	<u>\$ 15,276,655</u>	<u>\$ 443,466</u>	<u>\$ 8,228,261</u>	<u>\$ 413,898</u>	<u>\$ 24,362,280</u>

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

DELRAN 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 change in fund balances - governmental funds (from B-2) \$ (1,575,324)

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

Capital outlays are reported in the governmental funds as expenditures.

However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current fiscal year.

Depreciation expense	\$ (1,191,373)	
Adjustment to capital assets	(986)	
Capital outlay	3,549,259	2,356,900

Capital outlays related to subscriptions are reported in the governmental funds as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as amortization expense. This is the amount by which capital outlays exceeded amortization in the current fiscal year.

Amortization expense	(11,029)	
Subscription Asset Additions	-	(11,029)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.

1,980,000

The proceeds of a bond issue is an other financing source of revenue in the governmental funds but is not reported in the statement of activities.

-

Bond Premium arising from the issuance of the refunding school bonds is recorded as a deferred inflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of amortization.

89,599

Deferred loss on refunding arising from the issuance of the refunding school bonds is recorded as a deferred outflow of resources. It is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

(127,773)

Repayment of financed purchases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.

54,644

The issuance of Subscription-Based IT Arrangements increases long-term liabilities, however has no effect on fund balance.

-

Repayment of IT Subscription-Based IT Arrangement principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is reported in the statement of activities.

10,376

Net differences between pension system contributions recognized in the fund statement of revenues, expenditures and changes in fund balances and the statement of activities.

525,875

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 an addition to the reconciliation.

91,221

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

(2,858,573)

Change in net position of governmental activities

\$ 535,916

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

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

	Business-type Activities Enterprise Funds
	<u>Food Service Program</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 411,554
Accounts receivable	91,167
Inventories	<u>16,118</u>
Total current assets	<u>518,839</u>
Noncurrent assets:	
Equipment	1,386,547
Less accumulated depreciation	<u>(831,100)</u>
Total noncurrent assets	<u>555,447</u>
Total assets	<u>1,074,286</u>
LIABILITIES	
Current liabilities:	
Accounts Payable	96,910
Interfund Payable	153,912
Unearned revenue	<u>44,047</u>
Total liabilities	<u>294,869</u>
NET POSITION	
Net investment in capital assets	555,447
Unrestricted	<u>223,970</u>
Total net position	<u><u>\$ 779,417</u></u>

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

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

	Business-type Activities Enterprise Funds
	<u>Food Service Program</u>
Operating revenues:	
Charges for services:	
Daily sales-reimbursable programs	\$ 413,216
Daily sales-non-reimbursable programs	<u>306,442</u>
Total operating revenue	<u>719,658</u>
Operating expenses:	
Salaries	537,191
Employee benefits	24,244
Supplies and materials	56,830
Depreciation	72,207
Management fee	102,046
Purchased professional services	157,500
Repairs and maintenance of equipment	62,853
Cost of sales - reimbursable programs	437,143
Cost of sales - nonreimbursable programs	137,744
Direct expenses	46,455
Other expenses	<u>3,368</u>
Total operating expenses	<u>1,637,581</u>
Operating income (loss)	<u>(917,923)</u>
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	20,614
State school breakfast program	1,962
NJEIE lunch	1,136
NJEIE breakfast	266
Federal sources:	
National school lunch program	374,680
National school breakfast program	88,648
Supply chain assistance	69,588
Summer P-EBT	653
Local food for schools	1,759
U.S.D.A. commodities	84,550
Interest income	<u>13,913</u>
Total nonoperating revenues (expenses)	<u>657,769</u>
Change in net position	(260,154)
Net position - July 1	<u>1,039,571</u>
Net position - June 30	<u><u>\$ 779,417</u></u>

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

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

	Business-type Activities Enterprise Funds
	Food Service Program
Cash flows from operating activities:	
Receipts from customers	\$ 733,079
Payments to employees	(509,855)
Payments to suppliers	(887,022)
Net cash used for operating activities	<u>(663,798)</u>
Cash flows from noncapital financing activities:	
State sources	20,636
Federal sources	477,679
Net cash provided by non-capital financing activities	<u>498,315</u>
Cash flows from capital activities:	
Purchases of fixed assets	<u>(18,142)</u>
Net cash used for capital activities	<u>(18,142)</u>
Cash flows from investing activities:	
Interest and dividends	13,913
Net cash provided by investing activities	<u>13,913</u>
Net increase in cash and cash equivalents	(169,712)
Balances - July 1	<u>581,266</u>
Balances - June 30	<u><u>\$ 411,554</u></u>
Reconciliation of operating loss to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (917,923)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	72,207
Federal commodities	84,550
Change in assets and liabilities:	
(Increase)/decrease in accounts receivable	(2,715)
(Increase)/decrease in inventory	(3,168)
Increase/(decrease) in unearned revenue	16,136
Increase/(decrease) in interfunds payable	-
Increase/(decrease) in accounts payable	87,115
Total adjustments	<u>254,125</u>
Net cash provided by (used for) operating activities	<u><u>\$ (663,798)</u></u>

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

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - The Delran Township School District (District) is a Type II school district located in Burlington County, New Jersey and covers an area of approximately 7.5 square miles. As a Type II school district, it functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The purpose of the district is to provide educational services for all of Delran's students in grades K through 12. The Delran School District has an approximate enrollment at June 30, 2024 of 2,840 students.

The primary criteria for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control.

Component Units – GASB Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Unit*, provide guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity, but also for legally separate organizations that meet the criteria established by GASB Statements No. 14 and No. 39. In addition, GASB Statement No. 61, provides additional guidance for organizations that do not meet the financial accountability criteria for inclusion as component units but that nevertheless should be included because the primary government's management determines that it would be misleading to exclude them. GASB Statement No. 80, *Blending Requirements for Certain Component Units* - an Amendment of GASB Statement No. 14 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criteria require blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

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

The School District's basic financial statements consists of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Statements - The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The statement of net position presents the financial condition of the governmental and business-type activities of the School District at fiscal year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for the business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. The policy of the School District is to not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-wide Statements (Continued) -The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements - During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a single column. The fiduciary fund is reported by type. The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

General Fund - The general fund is the general operating fund of the School 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 classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America 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 which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenues sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes or serial bonds which 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 and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

Proprietary Funds - Proprietary funds are used to account for the School District's ongoing activities, which are similar to those in the private sector.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary Funds (Continued)

Enterprise Funds – The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the School District is that all costs (expenses, including depreciation) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the School 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 School District's enterprise fund is:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net position) is segregated into investment in capital assets, net of related debt, and unrestricted net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

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 has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Equipment	12 Years
Light Trucks and Vehicles	4 Years
Heavy Trucks and Vehicles	6 Years

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net position.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e. revenues) and decreases (i.e. expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined and "available" means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days after fiscal year end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include Ad Valorem (property) taxes, grants, entitlements, and donations. Ad Valorem (Property) Taxes are susceptible to accrual, as under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School 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 School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". With the exception of restricted formula aids recorded in the special revenue fund, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: tuition, grants, fees, and rentals.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the operating statement as an expense. Unused donated commodities are reported as unearned revenue. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgets/Budgetary Control - Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for their approval. 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. 6:23A-16.2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The budget, as detailed on Exhibit C-1, Exhibit C-2 and Exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the one or more June state aid payments.

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. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, 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.

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

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

N.J.S.A. 17:9-41et 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 Governmental Unit Deposit Protection Act (GUDPA), a multiple financial institution collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

Tuition Receivable - Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Payable - Tuition charges for the fiscal years ended June 30, 2024 and 2023 were based on rates established by the receiving school district. These rates are subject to change when the actual costs have been determined.

Inventories - Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out basis. The cost of inventories in governmental fund types is recorded as expenditures when purchased rather than when consumed and is not recorded since any amounts are considered immaterial to the basic financial statements. Inventories recorded in the government-wide financial statements and in the proprietary fund types are recorded as expenditures when consumed rather than when purchased.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Expenses - Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2024.

In the governmental fund types, however, payments for prepaid items are fully recognized as an expenditure in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

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.

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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Short-Term Interfund Receivables / Payables - Short-term interfund receivables / payables represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund in the School District and that are due within one year. These amounts are eliminated in the governmental and business-type columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Capital Assets - General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and the proprietary fund statement of net position.

Capital Assets (Continued) - All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated fixed assets are recorded at their fair market value as of the date received. The School District maintains a capitalization threshold of \$2,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land and Improvements	10-20 years	N/A
Buildings and Improvements	10-50 years	N/A
Furniture and Equipment	5-20 years	12 years
Vehicles	5-10 years	4-6 years

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

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental funds, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and are recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

Accrued Liabilities and Long-Term Obligations - All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full, from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Bond Discount and Bond Premium - Bond discount and bond premium arising from the issuance of the general obligation bonds are recorded as liabilities. They are amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense. Bond discount and bond premium are presented as an adjustment of the face amount of the bonds.

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

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

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

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

It is the School District's policy to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criteria includes items that are not expected to be converted to cash, such as inventories and prepaid amounts. The School District had no nonspendable fund balance at June 30, 2024.

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

Committed – This fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District’s highest level of decision-making authority, which for the School District is the Board of Education. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action imposing the commitment.

Assigned – This fund balance classification includes amounts that are constrained by the School District’s *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

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

Operating and Non-Operating Revenues and Expenses - Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for the food service program. Non-operating revenues principally consist of interest income earned on various interest-bearing accounts and federal and state subsidy reimbursements for the food service program.

Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. There are no non-operating expenses.

Interfunds – Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed.

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

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements – In June 2022, the GASB issued Statement 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued Statement 102, *Certain Risk Disclosures*. This statement requires government financial statements to disclose risks related to concentrations or constraints that could make a government vulnerable. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. This statement aims to improve the financial reporting model to provide more effective information for decision making and assessing a government's accountability. The requirements of this statement are effective for fiscal years beginning after June 15, 2025.

2. CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits – Custodial credit risk refers to the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Unit (GUDPA). 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 School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings of funds that pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized. Of the School District's amount on deposit of \$25,012,498 as of June 30, 2024, \$250,000 was insured under FDIC and the remaining balance of \$24,762,498 was collateralized under GUDPA.

3. CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long-Range Facilities Plan (LRFP). Upon submission of the LRFP to the New Jersey Department of Education, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

3. CAPITAL RESERVE ACCOUNT (Continued)

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

Balance - June 30, 2023		\$ 6,944,425
Increased by:		
Interest Earned	\$ 136,000	
Unspent Appropriation	-	
Board Resolution	<u>4,200,000</u>	<u>4,336,000</u>
		11,280,425
Decreased by:		
Budget Withdrawal		<u>900,000</u>
Balance - June 30, 2024		<u><u>\$ 10,380,425</u></u>

The June 30, 2024 capital reserve balance does not exceed the LRFP balance of local support costs of uncompleted project.

4. ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2024 consisted of accounts (fees) and intergovernmental grants. All intergovernmental receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds.

Accounts receivable at June 30, 2024 for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Capital Projects Fund	Proprietary Fund	Total
Intergovernmental					
State	\$ 448,692	\$ -	\$ -	\$ 4,454	\$ 453,146
Federal	-	524,241	-	82,158	606,399
Other	-	12,900	-	-	12,900
Other	<u>1,700</u>	<u>-</u>	<u>-</u>	<u>4,555</u>	<u>6,255</u>
Total	<u><u>\$ 450,392</u></u>	<u><u>\$ 537,141</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 91,167</u></u>	<u><u>\$ 1,078,700</u></u>

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

5. CAPITAL ASSETS

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

	Balance June 30, 2023	Additions	Deletions	Adjustments	Balance June 30, 2024
Governmental Activities:					
<i>Capital Assets, not being depreciated:</i>					
Construction in Progress	\$ 777,764	\$ 2,258,890	\$ -	\$ -	\$ 3,036,654
Total Capital Assets not being Depreciated	<u>777,764</u>	<u>2,258,890</u>	<u>-</u>	<u>-</u>	<u>3,036,654</u>
<i>Capital Assets, being depreciated:</i>					
Land Improvements	1,338,902	-	-	-	1,338,902
Building and Improvements	58,777,611	648,916	-	-	59,426,527
Machinery & Equipment	3,015,565	641,453	(84,845)	-	3,572,173
Total Historical Cost	<u>63,132,078</u>	<u>1,290,369</u>	<u>(84,845)</u>	<u>-</u>	<u>64,337,602</u>
<i>Less Accumulated Depreciation:</i>					
Land Improvements	(923,432)	(44,604)	-	-	(968,036)
Building and Improvements	(43,716,343)	(989,537)	-	-	(44,705,880)
Machinery & Equipment	(2,339,184)	(157,232)	83,859	-	(2,412,557)
Total Accumulated Depreciation	<u>(46,978,959)</u>	<u>(1,191,373)</u>	<u>83,859</u>	<u>-</u>	<u>(48,086,473)</u>
Governmental Activities Capital Assets, Net	<u>\$ 16,930,883</u>	<u>\$ 2,357,886</u>	<u>\$ (986)</u>	<u>\$ -</u>	<u>\$ 19,287,783</u>
Business-Type Activities:					
<i>Capital Assets, being depreciated:</i>					
Equipment	\$ 1,368,405	\$ 18,142	\$ -	\$ -	\$ 1,386,547
Less - Accumulated Depreciation	<u>(758,893)</u>	<u>(72,207)</u>	<u>-</u>	<u>-</u>	<u>(831,100)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 609,512</u>	<u>\$ (54,065)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 555,447</u>

Depreciation expense in the amount of \$1,191,373 was charged to governmental functions as follows:

Function	Amount
Instruction	\$ 68,957
Administration	122,324
Plant Operations and Maintenance	999,284
Unallocated	808
Total	<u>\$ 1,191,373</u>

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

6. LEASE AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ASSETS

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

	<u>Balance</u> <u>June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental Activities:				
Lease Assets, being Amortized:				
Machinery and Equipment	\$ -	\$ -	\$ -	\$ -
Subscription Assets, being Amortized:				
Subscription-Based IT Arrangements	44,113	-	-	44,113
Total Lease & Subscription Assets				
Being Amortized	44,113	-	-	44,113
Governmental Activities				
Lease & Subscription Assets	44,113	-	-	44,113
Less Accumulated Amortization for:				
Machinery and Equipment	-	-	-	-
Subscription-Based IT Arrangements	(11,028)	(11,029)	-	(22,057)
Total Accumulated Amortization	(11,028)	(11,029)	-	(22,057)
Governmental Activities Lease & Subscription Assets, Net	<u>\$ 33,085</u>	<u>\$ (11,029)</u>	<u>\$ -</u>	<u>\$ 22,056</u>

Amortization expense in the amount of \$11,029 was charged to governmental functions as follows:

<u>Function</u>	<u>Amount</u>
Instruction	\$ 512
Administration	1,186
Plant Operations and Maintenance	9,256
Unallocated	75
	<u>\$ 11,029</u>

7. INVENTORY

Inventory in the Proprietary Funds at June 30, 2024 consisted of the following:

	<u>Food Service</u>
Food	\$ 12,154
Supplies	3,964
	<u>\$ 16,118</u>

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

8. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2024, the following changes occurred in long-term obligations:

	Principal Outstanding June 30, 2023	Additions	Reductions	Principal Outstanding June 30, 2024	Due Within One Year
Compensated Absences	\$ 1,105,884	\$ 2,858,573	\$ -	\$ 3,964,457	\$ 8,357
Financed Purchases Payable	3,046,348	288,259	342,903	2,991,704	451,502
Subscription-Based IT Arrangements (SBITAs)	32,415	-	10,376	22,039	10,799
General Obligation Bonds	26,997,000	-	1,980,000	25,017,000	2,422,000
Bond Premium	442,626	-	89,599	353,027	87,347
Net Pension Liability	6,651,250	-	148,901	6,502,349	-
	<u>\$ 38,275,523</u>	<u>\$ 3,146,832</u>	<u>\$ 2,571,779</u>	<u>\$ 38,850,576</u>	<u>\$ 2,980,005</u>

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the District through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Outstanding bonds issued by the District are as follows:

2016 School Refunding Bonds dated April 14, 2016, in the amount of \$21,360,000, with \$12,960,000 outstanding, due in annual installments through July 15, 2029 bearing interest rates ranging from 2.00% - 4.00%.

2022 School Bonds dated December 29, 2022, in the amount of \$12,057,000, with \$12,057,000 outstanding, due in annual installments through August 15, 2042 bearing interest rates ranging from 3.125% - 4.00%.

Principal and interest due on bonds outstanding is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 2,422,000	\$ 725,972	\$ 3,147,972
2026	2,455,000	672,738	3,127,738
2027	2,505,000	617,091	3,122,091
2028	2,565,000	538,481	3,103,481
2029	2,635,000	457,031	3,092,031
2030-2034	5,685,000	1,615,687	7,300,687
2035-2039	3,750,000	948,281	4,698,281
2040-2043	3,000,000	240,000	3,240,000
	<u>\$ 25,017,000</u>	<u>\$ 5,815,281</u>	<u>\$ 30,832,281</u>

As of June 30, 2024, the District had no authorized but not issued bonds.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Leases – The School District had no material leases requiring disclosure under GASB Statement No. 87.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

8. LONG-TERM OBLIGATIONS (Continued)

Financed Purchase Payable - As of June 30, 2024, the District had the following financed purchases:

<u>Equipment</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
Energy Savings Imp. Program	March 1, 2032	2.38%	\$ 2,504,000
Toshiba Copiers	June 30, 2026	1.40%	199,445
Technology Equipment	August 30, 2026	5.35%	<u>288,259</u>
Total			<u>\$ 2,991,704</u>

The following is a schedule of the future payments under the financed purchases:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 451,502	\$ 80,760	\$ 532,262
2026	474,067	64,865	538,932
2027	391,135	50,464	441,599
2028	305,000	38,044	343,044
2029	319,000	30,714	349,714
2030-2032	<u>1,051,000</u>	<u>44,506</u>	<u>1,095,506</u>
	<u>\$ 2,991,704</u>	<u>\$ 309,353</u>	<u>\$ 3,301,057</u>

Subscription-Based IT Arrangements (SBITAs) Payable – The School District has entered into various Subscription-Based Information Technology Arrangements. These arrangements qualify as other than short-term SBITAs under GASB 96 and, therefore, have been recorded at the present value of the future minimum SBITA payments as of the date of their inception.

On July 1, 2020, the School District entered a 72-month Subscription-Based IT Arrangement for the use of EdGems Math Program. An initial liability was recorded in the amount of \$44,113. The liability was \$22,039 as of June 30, 2024. The School District is required to make annual payments of \$11,697. The arrangement has an interest rate of 4.00%. The value of the right to use asset as of June 30, 2024, was \$22,056 with accumulated amortization of \$22,057.

As of June 30, 2024, the District had Subscription-Based IT Arrangements outstanding as follows:

<u>Purpose</u>	<u>Commencement Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Total Value</u>
EDGems Math Software	July 1, 2020	June 30, 2026	4.00%	\$ 22,039
Total				<u>\$ 22,039</u>

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

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 10,799	\$ 898	\$ 11,697
2026	11,239	458	11,697
2027	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 22,038</u>	<u>\$ 1,356</u>	<u>\$ 23,394</u>

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS

Description of Plans – Substantially all of the School District's employees participate in one of the following pension plans which have been established by State statute and are administered by the New Jersey Division of Pensions and Benefits (Division): the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS). In addition, several School District employees participate in the Defined Contribution Retirement Program (DCRP), which is a defined contribution pension plan. This plan is administered by Empower (formerly Prudential Financial) for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. For additional information about TPAF, please refer to the Division's annual financial statements which can be found at the following website: <https://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established on January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement, death and disability, and medical benefits to qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional, and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

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

The following represents the membership tiers for TPAF:

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

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the member contribution rate was 7.50% in State fiscal year 2023. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over the several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF)

The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2024 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2023, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2024 was \$7,760,237 and was paid by April 1, 2024. School District employee contributions to the pension plan during the fiscal year ended June 30, 2024 were \$1,871,881.

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

At June 30, 2024, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

For the year ended June 30, 2024, the School District recognized pension expense of \$2,335,028 and revenue of \$2,335,028 for support provided by the State. Although the School District does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the School District.

The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	<u>06/30/23</u>	<u>06/30/22</u>
Collective deferred outflows of resources	\$ 2,413,548,676	\$ 4,885,289,911
Collective deferred inflows of resources	14,741,373,312	19,563,805,393
Collective net pension liability (Non-Employer – State of New Jersey)	51,109,961,824	51,676,587,303
State's portion of the net pension liability that was associated with the School District	95,047,008	93,722,521
State's portion of the net pension liability that was associated with the School District as a percentage of the collective net pension liability	.1862473768%	.1816524516%

Actuarial assumptions – The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

9. PENSION PLANS (Continued)

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

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality tables 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.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by 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 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.98%
Non-U.S. Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Markets Equity	5.50%	11.13%
Private Equity	13.00%	12.50%
Real Estate	8.00%	8.58%
Real Assets	3.00%	8.40%
High Yield	4.50%	6.97%
Private Credit	8.00%	9.20%
Investment Grade Credit	7.00%	5.19%
Cash Equivalents	2.00%	3.31%
U.S. Treasuries	4.00%	3.31%
Risk Mitigation Strategies	3.00%	6.21%
	100.00%	

Discount rate. The discount rate used to measure the State's 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 (State of New Jersey) will be based on 100% of the actuarially determined contributions for the State. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied rate was applied to projected benefit payments after that date in determining the total pension liability.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS (Continued)

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

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2023, the pension plan's measurement date, attributable to the School District is \$0.00, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) that the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability associated with the School District	112,077,670	95,047,008	80,703,143
	<u>\$ 112,077,670</u>	<u>\$ 95,047,008</u>	<u>\$ 80,703,143</u>

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Public Employees' Retirement System (PERS)

Plan Description - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established on January 1, 1955. The PERS provides retirement, death and disability, and medical benefits to certain qualified members. Vesting Membership in the PERS is mandatory for substantially all full-time employees of the Authority, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS. For additional information about PERS, please refer to Division's annual financial statements, which can be found at <http://www.state.nj.us/treasury/pensions/annual-reports.shtml>.

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

The following represents the membership tiers for PERS:

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

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

Contributions - The contribution requirements of plan members are determined by N.J.S.A 43:15A and requires contributions by active members and contributing employers. The School District's contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Based on the most recent PERS measurement date of June 30, 2023, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2024 was \$599,996 and was paid by April 1, 2024. School District employee contributions to the pension plan during the fiscal year ended June 30, 2024 were \$290,355.

The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contributions	Accrued Liability	Non Contributory Life	Long Term Disability	Total Liability Paid by District
2024	\$ 106,487	\$ 468,179	\$ 25,330	\$ -	\$ 599,996
2023	84,652	447,066	24,066	-	555,784
2022	62,422	429,338	23,762	-	515,522

Pension Liabilities, Pension Expense, and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

At June 30, 2024, the School District reported a liability of \$6,502,349 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The School District's proportion of the of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

For the year ended June 30, 2024, the School District recognized pension expense of \$74,119. At June 30, 2024, the School District reported a liability of \$6,502,349 for its proportionate share of the PERS net pension liability and deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 62,171	\$ 26,580
Changes of assumptions	14,284	394,070
Net Difference between projected and actual earnings on pension plan investments	29,944	-
Changes in proportion	297,465	1,209
District contributions subsequent to the measurement date	633,134	
Total	\$ 1,036,998	\$ 421,859

\$633,134 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date will be recognized as a reduction of the net liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the year ended:	Net Deferred Outflows (Inflows) of Resources
2025	\$ (225,330)
2026	(84,569)
2027	321,949
2028	(30,013)
2029	(32)
Total	\$ (17,995)

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
Changes of assumptions		
Year of Pension Plan Deferral:		
June 30, 2018	-	5.63
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
June 30, 2023	-	5.08
Net Difference between projected and actual earnings on pension plan investments		
Year of Pension Plan Deferral:		
June 30, 2018	5.00	-
June 30, 2019	5.00	-
June 30, 2020	5.00	-
June 30, 2021	5.00	-
June 30, 2022	5.00	-
June 30, 2023	5.00	-

Additional Information

Collective balances at June 30, 2023 and 2022 are as follows:

	<u>6/30/2023</u>	<u>6/30/2022</u>
Collective deferred outflows of resources	\$ 1,080,204,730	\$ 1,660,772,008
Collective deferred inflows of resources	\$ 1,780,216,457	\$ 3,236,303,935
Collective net pension liability	\$ 14,484,374,047	\$ 15,091,376,611
School District's Proportion	.0448921633%	.0440731828%

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.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

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

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

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2023) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	28.00%	8.98%
Non-U.S. Developed Market 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%
Total	100.00%	

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

9. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

Sensitivity of the School District's proportionate share of the net pension liability to changes in the discount rate. The following presents the School District's proportionate share of the net pension liability measured as of June 30, 2023, calculated using the discount rate of 7.00%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 8,464,675	\$ 6,502,349	\$ 4,832,150

Pension Plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Empower (formerly Prudential Financial). The DCRP provides eligible members, and their beneficiaries, with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Empower not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Total Liability	Paid by School District
2024	\$ 29,311	\$ 29,311
2023	29,184	29,184
2022	27,993	27,993

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description and Benefits Provided

The State Health Benefits Local Education Retired Employees Plan (the “OPEB Plan”) is a multiple-employer defined benefit OPEB plan, with a special funding situation, that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*. The OPEB Plan is administered by the State of New Jersey Division of Pensions and Benefits (the “Division”) and is part of the New Jersey State Health Benefits Program (SHBP). The Division issues a publicly available financial report that includes financial statements and required supplementary information which can be obtained by writing to or at the following website:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295
<https://www.nj.gov/treasury/pensions/financial-reports.shtml>

The OPEB Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers.

Contributions

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

Plan Membership

As of June 30, 2023, the program membership consisted of the following:

Active Plan Members	217,212
Retirees	<u>152,383</u>
	<u><u>369,595</u></u>

Total Non-Employer OPEB Liability

The State of New Jersey, 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 School District’s proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASB No. 75 is zero percent. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. The following OPEB liability note information is reported at the State’s level and is not specific to the board of education/board of trustees. Note that actual numbers will be published in the NJ State ACFR on the Office of Management and Budget webpage: nj.gov/treasury/omb/fr.shtml. The State, as a nonemployer contributing entity, reported a Fiscal Year 2023 total OPEB liability of \$52,361,668,239 for this special funding situation.

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Total Non-Employer OPEB Liability (Continued)

Actuarial assumptions and other imputes - The total OPEB liability in the June 30, 2023 actuarial valuation reported by the State in the State's most recently issued ACFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

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

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using the Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational improvement projections from the central year using the Scale MP-2021. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational 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 June 30, 2022 valuation were based on the results of the TPAF, PERS, and PFRS actuarial experience studies prepared for July 1, 2018 to June 30, 2021.

Health Care Trend Assumptions - For pre-Medicare medical benefits, the trend rate is initially 6.50% and decreases to a 4.50% long-term trend rate after nine years. For post-65 medical benefits PPO, the trend is increasing to 14.8% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.4% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.5% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate - The discount rate used to measure the total OPEB liability was 3.65%. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Total Nonemployer OPEB Liability

The table below summarizes the State's proportionate share of the change in the total nonemployer OPEB liability associated with the School District:

	Total OPEB Liability
Balance as of June 30, 2022	\$ 94,092,471
Changes for the Year	
Service Cost	4,019,413
Interest	3,448,682
Changes of benefit terms	-
Differences between expected and actual experience	(1,236,330)
Changes in assumptions	197,370
Gross Benefit Payments	(2,688,304)
Contributions from the Non-employer	N/A
Contributions from the Member	88,377
Net Investment Income	N/A
Administrative Expense	N/A
Net Changes	3,829,208
Balance at 06/30/2023	\$ 97,921,679

Sensitivity of the total nonemployer OPEB liability to changes in the discount rate - The following presents the total nonemployer OPEB liability as of June 30, 2023, respectively, calculated using the discount rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 114,796,358	\$ 97,921,679	\$ 84,373,271

Sensitivity of the total nonemployer OPEB liability to changes in the healthcare cost trend rate - The following presents the total nonemployer OPEB liability as of June 30, 2023 calculated using the healthcare trend rate as disclosed above as well as what the total nonemployer OPEB liability would be if it was calculated using a healthcare trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
State of New Jersey's Proportionate Share of the Total Nonemployer OPEB Liability Associated with the School District	\$ 81,290,090	\$ 97,921,679	\$ 119,684,156

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the year ended June 30, 2024, the School District recognized \$2,879,119 in OPEB expense and revenue, in the government-wide financial statements, for the State's proportionate share of the OPEB Plan's OPEB Expense, associated with the School District. This expense and revenue were based on the OPEB Plan's June 30, 2023 measurement date.

In accordance with GASBS No. 75, the School District's proportionate share of the OPEB liability is zero. As such, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources by the School District.

At June 30, 2023, the State's proportionate share of the total nonemployer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with the School District, from the following sources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Proportion	\$ 3,093,949	\$ (1,235,493)
Differences between expected and actual experience	14,287,054	(25,791,594)
Changes of assumptions	13,924,586	(27,022,883)
Total	\$ 31,305,589	\$ (54,049,970)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to State's proportionate share of the total nonemployer OPEB Liability, associated with the School District, will be recognized in OPEB expense as follows:

For the year ended:	
2025	\$ (4,514,386)
2026	(4,514,386)
2027	(3,923,639)
2028	(2,313,228)
2029	(473,490)
Thereafter	(7,005,252)
Total	\$ (22,744,381)

Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey Division of Pensions and Benefits financial report.

11. ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2024, the School District has recognized as revenues and expenditures on-behalf payments made by the state for normal retirement costs, post-retirement medical costs and long-term disability insurance related to TPAF, in the fund statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs and long-term disability insurance were \$8,205,399, \$2,233,209, and \$3,292, respectively. In addition, \$1,792,547 on-behalf payments were made by the state for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

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; employee health and accident claims; and natural disasters. The district has chosen to purchase insurance to transfer risk to outside parties.

Property and Liability Insurance – The District maintains commercial insurance for all risks of loss, including property, liability, employee health, accident insurance and public official surety bonds. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

A complete schedule of insurance coverage can be found in the “Statistical Section” of this report.

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

The following is a summary of the School District’s unemployment compensation contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the current and previous two fiscal years:

Fiscal Year	Employee Contributions	Board Contributions	Interest Earned	Amount Reimbursed	Ending Balance
2023-2024	\$ 7,693	\$ -	\$ -	\$ 28,140	\$ 177,939
2022-2023	67,938	-	-	58,749	198,386
2021-2022	48,938	-	-	1,028	189,197

13. DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, available to all permanent School District employees, permit participants to defer a portion of their current salary to future years. Participation in the plans is optional. The deferred compensation is not available to the participants until termination, retirement, death, or an unforeseeable emergency occurs. The plan assets are held in trust for the benefit of the employee and are administered by a third party therefore they are not reflected on the financial statements of the School District.

14. COMPENSATED ABSENCES

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

School District employees are granted varying amounts of vacation and sick leave in accordance with the School District’s personnel policy. Upon termination, employees are paid for accrued vacation. The School District’s policy permits employees to accumulated unused sick leave and carry forward the full amount to subsequent years.

Upon retirement employees shall be paid by the School District for the unused sick leave in accordance with the School District’s agreements with the various employee unions.

The liability for vested compensated absences is recorded within those funds as the benefits accrued to the employees. As of June 30, 2024, the liability for compensated absences in the governmental activities was \$3,964,457.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

15. INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables/payables are recorded to cover temporary cash shortages and/or timing differences in the respective funds. There are no interfund balances that are not expected to be repaid by June 30, 2025. The following interfund balances were recorded on the various balance sheets as of June 30, 2024:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 937,137	\$ -
Special Revenue	-	783,225
Capital Projects	-	413,898
Debt Service Fund	413,898	-
Proprietary Fund	-	153,912
	<u>-</u>	<u>153,912</u>
Total	<u>\$ 1,351,035</u>	<u>\$ 1,351,035</u>

All interfund balances are expected to be paid or collected within the subsequent year.

16. CONTINGENCIES

The School District participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the School District may be required to reimburse the grantor government.

At June 30, 2024, significant amounts of grant expenditures have not been audited by the granting agency, but the School District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the School District. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

17. TAX ABATEMENTS

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

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

As of December 31, 2023, the Township of Delran had no tax abatements.

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

18. DEFICIT UNASSIGNED FUND BALANCE

The School District has a deficit unassigned fund balance of \$1,309,867 in the General Fund as of June 30, 2024 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenues, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year.

For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2, any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$1,309,867 in the General Fund is equal to or less than the June state aid payment.

19. DEFICIT UNRESTRICTED NET POSITION

As of June 30, 2024, a deficit of \$9,449,052 existed in the Unrestricted Net Position of the Governmental Activities. A reconciliation of Unreserved Fund Balance reported on Exhibit B-1 to Unrestricted Net Position reported on Exhibited A-1 as follows:

Balances, June 30, 2024:	
Fund Balance (Deficit)	
(Exclusive of Capital Projects and Debt Service Funds):	
Fund Balance - Unassigned	\$ (1,309,867)
Fund Balance - Assigned	2,654,608
Liabilities:	
Accrued Interest Payable	(308,992)
Net Pension Differences	(6,520,344)
Compensated Absences	<u>(3,964,457)</u>
Unrestricted Net Position (Deficit)	<u><u>\$ (9,449,052)</u></u>

20. FUND BALANCES

RESTRICTED

As stated in Note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund:

Excess Surplus – In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund, fund balance 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 \$695,226 presented on the budgetary basis of accounting (Exhibit C-1). Additionally, \$533,446 of excess fund balance generated during the 2022-2023 fiscal year has been restricted and designated for utilization in the 2024-2025 budget.

Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024

20. FUND BALANCES (Continued)

General Fund (Continued):

Capital Reserve – As of June 30, 2024, the balance in the capital reserve account is \$10,380,425, all of which is restricted for future capital outlay expenditures for capital projects in the School District's approved Long-Range Facilities Plan. Of this amount, \$150,000 has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2025.

Maintenance Reserve Account – As of June 30, 2024, the balance in the maintenance reserve account is \$2,243,968. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

Unemployment Compensation Reserve – As of June 30, 2024, the balance in the unemployment compensation reserve is \$78,849. These funds are restricted for the purpose of financing unemployment claims.

Special Revenue Fund:

Student Activities – As of June 30, 2024, the balance in student activities is \$443,466.

Capital Projects Fund – As of June 30, 2024, the balance is \$3,164,322.

Debt Service Fund – As of June 30, 2024, the balance is \$287,951.

ASSIGNED

As stated in Note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund:

Year-end Encumbrances – At June 30, 2024, a total of \$2,526,476 in the General Fund is committed to meet contractual obligations. The School District has purchase orders outstanding with vendors in this amount and expects the vendors to deliver the goods and services in the upcoming year.

Designated for Subsequent Year's Expenditures – The School District has appropriated \$128,132 of general fund balance and included as an anticipated revenue for the fiscal year ending June 30, 2025.

ASSIGNED

Capital Projects Fund:

Other Purposes – At June 30, 2024, the School District has \$5,063,939 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

Debt Service Fund:

Designated for Subsequent Year's Expenditures – The School District has appropriated \$125,947 of debt service fund balance and included as an anticipated revenue for the fiscal year ending June 30, 2025.

**Delran Township School District
Notes to Basic Financial Statements
For the Fiscal Year Ended June 30, 2024**

20. FUND BALANCES (Continued)

UNASSIGNED

As stated in Note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund – As of June 30, 2024, the fund balance of the general fund was a deficit of \$1,309,867. The deficit is a result of the delay in the recording of the payment of state aid until the following fiscal year (See Note 18).

Required Supplementary Information - Part II

Budgetary Comparison Schedules

DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 33,343,638	\$ -	\$ 33,343,638	\$ 33,343,638	\$ -
Tuition - Individuals	80,000	-	80,000	62,063	(17,937)
Tuition - Other LEA's	-	-	-	71,038	71,038
Capital reserve interest	2,000	-	2,000	135,999	133,999
Maintenance reserve interest	1,000	-	1,000	42,777	41,777
Other restricted miscellaneous revenue	-	-	-	-	-
Unrestricted miscellaneous revenue	50,000	-	50,000	627,448	577,448
Total local sources	33,476,638	-	33,476,638	34,282,963	806,325
State sources:					
Categorical special education aid	2,561,908	-	2,561,908	2,561,908	-
Equalization aid	23,226,112	-	23,226,112	23,226,112	-
Categorical security aid	418,930	-	418,930	418,930	-
Categorical transportation aid	516,610	-	516,610	516,610	-
Extraordinary aid	300,000	-	300,000	311,647	11,647
Additional non-public transportation aid	-	-	-	47,775	47,775
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	8,205,399	8,205,399
On-behalf TPAF medical (non-budgeted)	-	-	-	2,233,209	2,233,209
On-behalf TPAF LTDI (non-budgeted)	-	-	-	3,292	3,292
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	1,792,547	1,792,547
Total state sources	27,023,560	-	27,023,560	39,317,429	12,293,869
Federal sources:					
Medicaid reimbursement	56,786	-	56,786	81,099	24,313
Total federal sources	56,786	-	56,786	81,099	24,313
TOTAL REVENUES	60,556,984	-	60,556,984	73,681,491	13,124,507
EXPENDITURES:					
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of teachers					
Kindergarten	735,031	(2,000)	733,031	707,154	25,877
Grades 1-5	5,528,396	(92,427)	5,435,969	5,313,453	122,516
Grades 6-8	3,449,689	(2,636)	3,447,053	3,275,747	171,306
Grades 9-12	5,951,007	(8,146)	5,942,861	5,868,905	73,956
Total Instruction	15,664,123	(105,209)	15,558,914	15,165,259	393,655
Regular Programs - Home Instruction:					
Salaries of teachers	60,000	25,937	85,937	85,937	-
Purchased professional - educational services	22,000	3,448	25,448	13,301	12,147
Total Home Instruction	82,000	29,385	111,385	99,238	12,147

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased professional - educational services	286,658	3,715	290,373	281,582	8,791
Purchased technical services	88,813	(1,448)	87,365	79,103	8,262
Other purchased services	294,824	(177,869)	116,955	99,424	17,531
General supplies	739,584	220,651	960,235	852,405	107,830
Textbooks	80,000	4,208	84,208	76,522	7,686
Other objects	17,620	(3,864)	13,756	11,882	1,874
Total Undistributed Instruction	1,507,499	45,393	1,552,892	1,400,918	151,974
Total - Regular Programs - Instruction	17,253,622	(30,431)	17,223,191	16,665,415	557,776
Special Educ Instruction - Learning/Lang. Disabilities					
Salaries of teachers	380,725	-	380,725	355,221	25,504
Other salaries for instruction	78,519	-	78,519	78,519	-
General supplies	2,200	-	2,200	1,228	972
Total Learning/Language Disabilities	461,444	-	461,444	434,968	26,476
Special Educ Instruction - Multiple Disabilities					
Salaries of teachers	407,211	-	407,211	370,963	36,248
Other salaries for instruction	211,487	(658)	210,829	209,868	961
General supplies	39,350	(3,350)	36,000	20,223	15,777
Total Multiple Disabilities	658,048	(4,008)	654,040	601,054	52,986
Special Educ Instruction - Res. Room/Res. Center					
Salaries of teachers	3,730,006	(100,000)	3,630,006	3,605,515	24,491
Other salaries for instruction	353,166	(8,945)	344,221	327,540	16,681
General supplies	29,700	-	29,700	13,543	16,157
Total Resource Room/Resource Center	4,112,872	(108,945)	4,003,927	3,946,598	57,329
Special Educ Instruction - Autism					
Salaries of teachers	-	-	-	-	-
Total Autism	-	-	-	-	-
Preschool Disabilities - Part-time					
Salaries of teachers	205,775	-	205,775	205,775	-
Other salaries for instruction	122,480	-	122,480	104,106	18,374
General supplies	2,750	-	2,750	872	1,878
Total Preschool Disabilities - Part-time	331,005	-	331,005	310,753	20,252
Total Special Education - Instruction	5,563,369	(112,953)	5,450,416	5,293,373	157,043
Basic Skills/Remedial - Instruction					
Salaries of teachers	29,132	-	29,132	3,836	25,296
Total Basic Skills/Remedial - Instruction	29,132	-	29,132	3,836	25,296
Bilingual Education - Instruction					
Salaries	975,266	-	975,266	974,606	660
Other salaries for instruction	20,854	-	20,854	20,854	-
Total Bilingual Education - Instruction	996,120	-	996,120	995,460	660

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Sponsored Cocurricular Act - Inst.					
Salaries	\$ 335,597	\$ -	\$ 335,597	\$ 328,238	\$ 7,359
Other purchased services	-	3,500	3,500	3,500	-
Supplies and materials	66,650	3,788	70,438	42,662	27,776
Other objects	9,360	-	9,360	6,050	3,310
Total School-Sponsored Cocurr. Act. - Inst	411,607	7,288	418,895	380,450	38,445
School-Sponsored Athletics - Inst.					
Salaries	425,096	-	425,096	415,491	9,605
Other purchased services	137,500	8,735	146,235	135,744	10,491
Supplies and materials	77,287	(5,723)	71,564	71,563	1
Other objects	4,600	(392)	4,208	3,608	600
Total School-Sponsored Athletics - Inst	644,483	2,620	647,103	626,406	20,697
Other Supplemental/At Risk Programs - Inst.					
Salaries of Reading Specialists	595,281	-	595,281	588,451	6,830
Total Supplemental/At Risk Programs - Inst	595,281	-	595,281	588,451	6,830
Undistributed Expenditures - Instruction					
Tuition to other lea's w/i state - regular	64,370	75,745	140,115	92,265	47,850
Tuition to other lea's w/i state - special	193,110	-	193,110	154,229	38,881
Tuition to county voc. school dist. - reg.	125,878	12,206	138,084	110,467	27,617
Tuition to county voc. school dist. - spl.	-	-	-	-	-
Tuition to CSSD & reg. day schools	545,276	-	545,276	166,866	378,410
Tuition to priv. sch. for the disabled w/i state	1,598,866	-	1,598,866	1,430,632	168,234
Tuition - state facilities	115,271	-	115,271	41,075	74,196
Tuition - other	354,134	(87,951)	266,183	171,722	94,461
Total Undistributed Expenditures - Instruction	2,996,905	-	2,996,905	2,167,256	829,649
Undistributed Expenditures - Attend. and Social Work					
Salaries	55,240	2,000	57,240	56,555	685
Total Undistributed Expenditures - Attendance	55,240	2,000	57,240	56,555	685
Undistributed Expenditures - Health Services					
Salaries	344,102	-	344,102	331,242	12,860
Purchased professional and technical services	33,200	(11,000)	22,200	15,226	6,974
Supplies and materials	10,924	15	10,939	6,123	4,816
Total Undistributed Expenditures - Health Svcs.	388,226	(10,985)	377,241	352,591	24,650
Undist. Expend. - Speech, OT, PT, & Rel. Serv.					
Salaries	612,446	(29,161)	583,285	583,285	-
Purchased professional - educational services	23,320	(11,470)	11,850	11,850	-
Supplies and materials	4,510	(15)	4,495	3,840	655
Total Undst. Expend. - Speech, OT, PT, & Rel. Serv.	640,276	(40,646)	599,630	598,975	655
Undist. Expend. - Sp. Ed. - Extraordinary Services.					
Salaries	-	-	-	-	-
Purchased professional and educational services	286,000	(34,000)	252,000	190,300	61,700
Total Undst. Expend. - Special Ed.- Extra. Serv.	286,000	(34,000)	252,000	190,300	61,700

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Guidance					
Salaries of other professional staff	\$ 855,761	\$ (21,167)	\$ 834,594	\$ 833,237	\$ 1,357
Salaries of secretarial and clerical assistants	221,033	12,345	233,378	233,378	-
Other purchased services (400-500)	-	-	-	-	-
Supplies and materials	5,000	253	5,253	5,253	-
Total Undst. Expend. - Guidance	1,081,794	(8,569)	1,073,225	1,071,868	1,357
Undist. Expend. - Child Study Teams					
Salaries of other professional staff	1,623,399	(179,712)	1,443,687	1,443,687	-
Salaries of secretarial and clerical assistants	211,121	(10,788)	200,333	200,228	105
Purchased professional - educational services	290,533	141,928	432,461	291,704	140,757
Other purchased services (400-500)	1,828,051	806,227	2,634,278	1,671,163	963,115
Supplies and materials	79,200	(35,245)	43,955	38,778	5,177
Other objects	7,810	-	7,810	2,771	5,039
Total Undst. Expend. - Child Study Teams	4,040,114	722,410	4,762,524	3,648,331	1,114,193
Undist. Expend. - Improvement of Instr. Services					
Salaries of Supervisor of Instruction	285,808	2,500	288,308	288,308	-
Salaries of other professional staff	218,367	(50,518)	167,849	167,849	-
Salaries of secretarial and clerical assistants	54,640	-	54,640	54,417	223
Salaries of Facilitators, Math & Literacy Coaches	88,549	-	88,549	69,870	18,679
Supplies and materials	1,000	-	1,000	886	114
Other objects	15,704	-	15,704	8,466	7,238
Total Undst. Expend. - Improvement of Instr. Services	664,068	(48,018)	616,050	589,796	26,254
Undist. Expend. - Educ. Media Serv./Sch. Library					
Salaries	457,022	(3,420)	453,602	441,708	11,894
Salaries of Technology Coordinators	366,852	3,420	370,272	367,132	3,140
Purchased professional and technical services	218,296	8	218,304	196,711	21,593
Supplies and materials	36,170	(253)	35,917	35,144	773
Total Undst. Expend. - Educ. Media Serv./Sch. Library	1,078,340	(245)	1,078,095	1,040,695	37,400
Instructional Staff Training Services					
Salaries of secretarial and clerical assistance	11,700	349	12,049	12,049	-
Purchased professional - educational services	19,000	38,651	57,651	50,287	7,364
Other purchased services (400-500)	38,862	1,405	40,267	18,953	21,314
Other objects	29,100	3,000	32,100	12,397	19,703
Total instructional Staff Training Services	98,662	43,405	142,067	93,686	48,381
Undist. Expend. - Supp. Serv. General Admin.					
Salaries	456,268	(17,000)	439,268	437,003	2,265
Legal services	60,000	29,702	89,702	76,728	12,974
Audit Fees	42,000	(7,188)	34,812	32,600	2,212
Architectural/Engineering Services	55,650	(8,100)	47,550	4,725	42,825
Other purchased professional services	14,800	-	14,800	12,054	2,746
Purchased technical services	5,250	-	5,250	3,537	1,713
Communications/Telephone	118,970	-	118,970	109,252	9,718
BOE Other purchased services	5,000	-	5,000	364	4,636
Other purchased services (400-500)	21,560	3,652	25,212	20,485	4,727
General supplies	10,500	-	10,500	10,070	430
BOE In-House Training/Meeting Supplies	3,250	(1,066)	2,184	-	2,184
Miscellaneous expenditures	16,613	147	16,760	16,760	-
BOE membership dues and fees	23,625	(147)	23,478	22,180	1,298
Total Undst. Expend. - Supp. Serv. General Admin.	833,486	-	833,486	745,758	87,728

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Supp. Serv. School Admin.					
Salaries of principals/assist. principals	\$ 1,200,740	\$ -	\$ 1,200,740	\$ 1,170,272	\$ 30,468
Salaries of secretarial and clerical assistants	429,472	-	429,472	424,300	5,172
Purchased professional and technical services	35,293	30	35,323	12,321	23,002
Other purchased services	6,562	(1,200)	5,362	1,345	4,017
Supplies and Materials	44,500	1,208	45,708	41,380	4,328
Other objects	19,813	(465)	19,348	15,406	3,942
Total Undst. Expend. - Supp. Serv. School Admin.	1,736,380	(427)	1,735,953	1,665,024	70,929
Undist. Expend. - Central Services					
Salaries	430,745	-	430,745	425,455	5,290
Purchased professional services	33,000	-	33,000	17,176	15,824
Purchased technical services	56,300	-	56,300	21,500	34,800
Misc. purchased services	4,000	-	4,000	847	3,153
Supplies and materials	10,000	-	10,000	8,471	1,529
Miscellaneous expenditures	8,000	-	8,000	2,028	5,972
Total Undst. Expend. - Central Services	542,045	-	542,045	475,477	66,568
Undist. Expend. - Admin. Info. Tech.					
Salaries	62,735	-	62,735	62,735	-
Purchased technical services	87,889	-	87,889	11,790	76,099
Other purchased services	31,335	(17,275)	14,060	6,353	7,707
Supplies and materials	1,000	17,575	18,575	17,667	908
Other objects	4,400	(300)	4,100	2,090	2,010
Total Undst. Expend. - Admin. Info. Tech.	187,359	-	187,359	100,635	86,724
Undist. Expend. - Required Maint. Sch. Facilities					
Salaries	723,486	(31,840)	691,646	688,031	3,615
Cleaning, repair, and maintenance services	755,235	(116,000)	639,235	480,125	159,110
General supplies	100,000	(38,143)	61,857	39,943	21,914
Total Undst. Expend. - Required Maint. Sch. Facilities	1,578,721	(185,983)	1,392,738	1,208,099	184,639
Undist. Expend. - Other Oper. & Maint. of Plant					
Salaries	56,063	(56,063)	-	-	-
Salaries of non-instructional aids	102,251	(6,433)	95,818	95,818	-
Purchased professional - tech services	36,570	13,084	49,654	31,862	17,792
Cleaning, repair, and maintenance services	1,799,382	(172,191)	1,627,191	1,591,357	35,834
Other purchased property services	65,000	8,500	73,500	73,464	36
Insurance	275,075	1,667	276,742	276,741	1
Miscellaneous purchased services	1,000	-	1,000	600	400
General supplies	415,278	(27,104)	388,174	250,855	137,319
Energy (natural gas)	237,660	(6,000)	231,660	99,701	131,959
Energy (electricity)	515,100	-	515,100	500,016	15,084
Other objects	6,814	(442)	6,372	4,531	1,841
Total Undst. Expend. - Other Oper. & Maint. of Plant	3,510,193	(244,982)	3,265,211	2,924,945	340,266
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	56,663	-	56,663	56,663	-
Purchased professional and technical services	269,930	-	269,930	261,296	8,634
General supplies	11,000	-	11,000	2,144	8,856
Total Undst. Expend. - Care and Upkeep of Grounds	337,593	-	337,593	320,103	17,490
Security					
Salaries	54,481	-	54,481	54,480	1
Purchased professional and technical services	554,786	-	554,786	522,299	32,487
General Supplies	92,000	(73,658)	18,342	9,378	8,964
Total Security	701,267	(73,658)	627,609	586,157	41,452
Total Undst. Expend. - Oper. & Maint. of Plant Services	6,127,774	(504,623)	5,623,151	5,039,304	583,847

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Student Trans. Services					
Salaries of non-instructional aides	\$ 22,792	\$ (3,567)	\$ 19,225	\$ 12,983	\$ 6,242
Salaries for pupil trans (bet home & sch) - reg.	66,286	683	66,969	66,969	-
Salaries for pupil trans (bet home & sch) - sp ed	41,026	2,885	43,911	43,911	-
Cleaning, repair, & amp; maint. Services	10,000	-	10,000	2,805	7,195
Contr. serv. - Aid in Lieu Pymts-nonpub Sch	102,200	1,245	103,445	99,694	3,751
Contr. serv. (bet. home & sch.) - vendors	1,709,221	-	1,709,221	1,663,200	46,021
Contr. serv. (other than bet. home & sch.) - vendors	646,613	-	646,613	399,716	246,897
Contr. serv. (sp ed stds) - vendors	1,065,599	11,350	1,076,949	943,482	133,467
Contr. serv. (sp ed stds) - joint agreements	361,624	(5,000)	356,624	183,725	172,899
Misc. purchased services - transportation	18,000	(6,245)	11,755	6,497	5,258
Total Undst. Expend. - Student Trans. Services	4,043,361	1,351	4,044,712	3,422,982	621,730
Unallocated Benefits - Employee Benefits					
Social security contributions	685,250	-	685,250	584,604	100,646
Other retirement contributions - PERS	611,362	-	611,362	599,996	11,366
Workmen's Compensation	260,000	(29,280)	230,720	199,868	30,852
Health benefits	8,555,937	3,000	8,558,937	8,040,932	518,005
Tuition reimbursements	47,100	(14,144)	32,956	27,056	5,900
Other Employee Benefits	401,580	43,425	445,005	403,241	41,764
Total Unallocated Benefits - Employee Benefits	10,561,229	3,001	10,564,230	9,855,697	708,533
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	8,205,399	(8,205,399)
On-behalf TPAF medical (non-budgeted)	-	-	-	2,233,209	(2,233,209)
On-behalf TPAF LTDI (non-budgeted)	-	-	-	3,292	(3,292)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	1,792,547	(1,792,547)
Total Undistributed Expenditures - TPAF	-	-	-	12,234,447	(12,234,447)
Total Undistributed Expenditures	35,361,259	124,654	35,485,913	43,349,377	(7,863,464)
Total General Current Expense	60,854,873	(8,822)	60,846,051	67,902,768	(7,056,717)
CAPITAL OUTLAY:					
Equipment:					
Undistributed expenditures - Instruction	-	-	-	-	-
Total Equipment	-	-	-	-	-
Facilities Acquisition and Construction Services:					
Architect/Engineering Services	255,180	-	255,180	134,947	120,233
Construction	6,197,999	-	6,197,999	4,498,535	1,699,464
Lease Purchase Agreements - Principal	314,059	-	314,059	314,058	1
Assessment for Debt Service on SDA funding	20,110	-	20,110	20,110	-
Total Facilities Acquisition and Construction Services	6,787,348	-	6,787,348	4,967,650	1,819,698
Assets acquired under capital leases (non-budgeted):					
Equipment					
Undistributed expenditures - instruction	-	-	-	-	-
Total assets acquired under capital leases	-	-	-	-	-
Total Capital Outlay	6,787,348	-	6,787,348	4,967,650	1,819,698
Transfer of Funds to Charter Schools	19,002	8,822	27,824	6,192	21,632
Total Expenditures	67,661,223	-	67,661,223	72,876,610	(5,215,387)

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

(CONTINUED TO NEXT PAGE)

DELRAN TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2024

(Continued from prior page)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues Over (Under) Expenditures:	\$ (7,104,239)	\$ -	\$ (7,104,239)	\$ 804,881	\$ 7,909,120
Other Financing Sources (Uses):					
Transfer in - Capital Projects	-	-			-
Total Other Financing Sources	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(7,104,239)	-	(7,104,239)	804,881	7,909,120
Fund Balance, July 1	17,053,906		17,053,906	17,053,906	
Fund Balance, June 30	\$ 9,949,667	\$ -	\$ 9,949,667	\$ 17,858,787	\$ 7,909,120
Recapitulation:					
Restricted:					
Capital Reserve:					
Designated for Subsequent Year's Expenditures				\$ 150,000	
Capital Reserve				10,230,425	
Maintenance Reserve				2,243,968	
Excess Surplus:					
Designated for Subsequent Year's Expenditures				533,446	
Current Year				695,226	
Unemployment Compensation				78,849	
Assigned:					
Reserve for Encumbrances				2,526,476	
Designated for Subsequent Year's Expenditures				128,132	
Unassigned				1,272,265	
				17,858,787	
Reconciliation on Governmental Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				(2,582,132)	
Fund Balance per Government Fund (GAAP)				\$ 15,276,655	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources	\$ 43,187	\$ 41,281	\$ 84,468	\$ 1,096,381	\$ 1,011,913
State sources		186,809	186,809	156,452	(30,357)
Federal sources	<u>757,673</u>	<u>1,410,157</u>	<u>2,167,830</u>	<u>1,849,993</u>	<u>(317,837)</u>
Total revenues	<u>800,860</u>	<u>1,638,247</u>	<u>2,439,107</u>	<u>3,102,826</u>	<u>663,719</u>
EXPENDITURES:					
Instruction:					
Salaries of teachers	383,708	110,889	494,597	385,214	109,383
Purchased professional - educ. services		238,877	238,877	214,938	23,939
Tuition		786,004	786,004	776,404	9,600
Purchased professional - tech. services		41,088	41,088	34,282	6,806
General supplies	47,453	214,584	262,037	196,004	66,033
Other Objects		-			-
Textbooks		19,309	19,309	13,405	5,904
Total instruction	<u>431,161</u>	<u>1,410,751</u>	<u>1,841,912</u>	<u>1,620,247</u>	<u>221,665</u>
Support services:					
Salaries	240,293	5,199	245,492	203,755	41,737
Salaries of other professional staff		55,164	55,164	30,395	24,769
Personal services - employee benefits	104,678	4,264	108,942	68,595	40,347
Purchased professional - educ. services		64,235	64,235	59,678	4,557
Purchased professional and technical services	12,792	40,680	53,472	47,772	5,700
Travel		32,354	32,354	10,270	22,084
Other purchased services	11,936	-	11,936		11,936
Other objects		-			-
Supplies and materials		23,944	23,944	13,508	10,436
Building		-			-
Student activities				972,386	(972,386)
Total support services	<u>369,699</u>	<u>225,840</u>	<u>595,539</u>	<u>1,406,359</u>	<u>(810,820)</u>
Facilities acquisition and construction services:					
Building		-			-
Instructional		-			-
Non-Instructional		1,656	1,656	1,656	-
Total facilities acq. and const. services	<u>-</u>	<u>1,656</u>	<u>1,656</u>	<u>1,656</u>	<u>-</u>
Total expenditures	<u>800,860</u>	<u>1,638,247</u>	<u>2,439,107</u>	<u>3,028,262</u>	<u>(589,155)</u>
Total outflows	<u>800,860</u>	<u>1,638,247</u>	<u>2,439,107</u>	<u>3,028,262</u>	<u>(589,155)</u>
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,564</u>	<u>74,564</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>368,902</u>	<u>368,902</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,466</u>	<u>\$ 443,466</u>
Recapitulation:					
Restricted:					
Student Activities				<u>\$ 443,466</u>	
Total Fund Balance				<u>\$ 443,466</u>	

DELRAN TOWNSHIP SCHOOL DISTRICT
Notes to Required Supplementary Information
Budgetary Comparison
Fiscal Year Ended June 30, 2024

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

	General Fund	Special Revenue Fund
	<hr/>	<hr/>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedules	\$ 73,681,491	\$ 3,102,826
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(925,471)
Prior Year		1,715,980
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	2,171,707	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(2,582,132)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u><u>\$ 73,271,066</u></u>	<u><u>\$ 3,893,335</u></u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 72,876,610	\$ 3,028,262
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year		(925,471)
Prior Year		1,715,980
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u><u>\$ 72,876,610</u></u>	<u><u>\$ 3,818,771</u></u>

Required Supplementary Information - Part III

Schedules Related to Accounting and Reporting

For Pensions and

Other Post Employment Benefits

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

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability (asset)	0.0448921633%	0.0440731828%	0.0440197129%	0.0425707926%	0.0415731202%	0.0417056023%	0.0412538649%	0.0439013136%	0.0420543940%	0.0422519522%
District's proportionate share of the net pension liability (asset)	\$ 6,502,349	\$ 6,651,250	\$ 5,214,795	\$ 6,942,183	\$ 7,490,846	\$ 8,211,625	\$ 9,603,240	\$ 13,002,310	\$ 9,440,369	\$ 7,910,721
District's covered-employee payroll	3,811,548	3,619,202	3,367,922	3,295,501	3,193,928	3,047,973	2,945,727	2,918,409	2,908,363	2,886,816
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	170.60%	183.78%	154.84%	210.66%	234.53%	269.41%	326.01%	445.53%	324.59%	274.03%
Plan fiduciary net position as a percentage of the total pension liability	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%	52.08%

DELRAN TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Contributions
Public Employees Retirement System
Last Ten Fiscal Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually required contribution	\$ 633,134	\$ 599,996	\$ 555,784	\$ 515,522	\$ 465,704	\$ 406,004	\$ 416,885	\$ 387,473	\$ 390,013	\$ 361,555
Contributions in relation to the contractually required contributions	<u>(633,134)</u>	<u>(599,996)</u>	<u>(555,784)</u>	<u>(515,522)</u>	<u>(465,704)</u>	<u>(406,004)</u>	<u>(416,885)</u>	<u>(387,473)</u>	<u>(390,013)</u>	<u>(361,555)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	3,811,548	3,619,202	3,367,922	3,295,501	3,193,928	3,047,973	2,945,727	2,918,409	2,908,363	2,886,816
Contributions as a percentage of covered-employee payroll	16.61%	16.58%	16.50%	15.64%	14.58%	13.32%	14.15%	13.28%	13.41%	12.52%

DELRAN TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Ten Fiscal Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
District's proportion of the net pension liability (asset)	0.1862473768%	0.1816524516%	0.1784186515%	0.1802611421%	0.1764994536%	0.1699670340%	0.1719759835%	0.1740272235%	0.1674755276%	0.1638892624%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 95,047,008	\$ 93,722,521	\$ 85,775,103	\$ 118,699,793	\$ 108,319,381	\$ 108,129,376	\$ 115,952,409	\$ 136,900,894	\$ 105,851,685	\$ 87,593,477
Total	<u>\$ 95,047,008</u>	<u>\$ 93,722,521</u>	<u>\$ 85,775,103</u>	<u>\$ 118,699,793</u>	<u>\$ 108,319,381</u>	<u>\$ 108,129,376</u>	<u>\$ 115,952,409</u>	<u>\$ 136,900,894</u>	<u>\$ 105,851,685</u>	<u>\$ 87,593,477</u>
District's covered-employee payroll	24,546,871	23,592,041	22,255,843	20,937,858	20,380,225	19,770,078	19,161,160	18,350,014	17,728,774	17,726,454
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%	33.64%

DELRAN TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
and Changes in the Total OPEB Liability and Related Ratios
Public Employee's Retirement System and Teachers' Pension and Annuity Fund
Last Seven Fiscal Years

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
State's proportion of the net OPEB liability (asset) associated with the District	0.19%	0.19%	0.19%	0.18%	0.18%	0.18%	0.18%
District's proportionate share of the net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 97,921,679	\$ 94,092,471	\$ 112,411,375	\$ 125,139,052	\$ 76,788,477	\$ 83,194,173	\$ 97,557,199
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 97,921,679</u>	<u>\$ 94,092,471</u>	<u>\$ 112,411,375</u>	<u>\$ 125,139,052</u>	<u>\$ 76,788,477</u>	<u>\$ 83,194,173</u>	<u>\$ 97,557,199</u>
Plan fiduciary net position as a percentage of the total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability							
Service Cost	\$ 4,019,413	\$ 5,149,861	\$ 5,838,594	\$ 3,332,913	\$ 3,079,745	\$ 3,444,684	\$ 4,155,935
Interest	3,448,682	2,493,554	2,916,069	2,767,597	3,294,961	3,577,762	3,100,676
Changes in benefit terms			(119,648)				
Differences between expected and actual experiences	(1,236,330)	1,669,533	(19,251,098)	21,503,996	(11,638,021)	(9,690,826)	
Changes of assumptions	197,370	(25,241,150)	110,902	22,858,605	1,144,923	(9,546,948)	(13,243,258)
Member Contributions	88,377	79,237	74,550	66,032	69,873	76,885	83,205
Benefit payments	(2,688,304)	(2,469,939)	(2,297,046)	(2,178,568)	(2,357,177)	(2,224,583)	(2,259,632)
Net Change in total OPEB Liability	\$ 3,829,208	\$ (18,318,904)	\$ (12,727,677)	\$ 48,350,575	\$ (6,405,696)	\$ (14,363,026)	\$ (8,163,074)
Total OPEB Liability - beginning	\$ 94,092,471	\$ 112,411,375	\$ 125,139,052	\$ 76,788,477	\$ 83,194,173	\$ 97,557,199	\$ 105,720,273
Total OPEB Liability - ending	\$ 97,921,679	\$ 94,092,471	\$ 112,411,375	\$ 125,139,052	\$ 76,788,477	\$ 83,194,173	\$ 97,557,199
District's covered-employee payroll	28,358,419	27,211,243	25,623,765	24,233,359	23,574,153	22,818,051	22,106,887
Total OPEB Liability as a percentage of covered-employee payroll	345.30%	345.79%	438.70%	516.39%	325.73%	364.60%	441.30%

This schedule does not contain ten years of information as GASB 75 was implemented during the fiscal year ended June 30, 2018.

Delran Township School District
Notes to Required Supplementary Information – Part III
For the Fiscal Year Ended June 30, 2024

Teacher's Pension and Annuity Fund (TPAF)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

Public Employees' Retirement System (PERS)

Changes of benefit term: There were none.

Changes of assumptions: There were none.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes of benefit term: There were none.

Changes of assumptions: The discount rate changed from 3.54% as of June 30, 2022 to 3.65% as of June 30, 2023.

Other Supplementary Information

Special Revenue Fund

DELRAN TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2024

	Brought Forward (Exh. E-1B)	Brought Forward (Exh. E-1C)	Brought Forward (Exh. E-1D)	Brought Forward (Exh. E-1E)	Total
REVENUES:					
Local sources	\$ -	\$ 1,046,950	\$ 49,431	\$ -	\$ 1,096,381
State sources	156,452	-	-	-	156,452
Federal sources	-	1,142,431	-	707,562	1,849,993
Total Revenues	156,452	2,189,381	49,431	707,562	3,102,826
EXPENDITURES:					
Instruction:					
Salaries of teachers	-	309,899	-	75,315	385,214
Purchased professional educational services	6,695	1,400	-	206,843	214,938
Tuition	-	704,193	-	72,211	776,404
Professional professional technical services	22,382	-	11,900	-	34,282
General supplies	73,290	24,612	26,007	72,095	196,004
Other Objects	-	-	-	-	-
Textbooks	13,405	-	-	-	13,405
Total instruction	115,772	1,040,104	37,907	426,464	1,620,247
Support services:					
Salaries	-	-	-	203,755	203,755
Salaries of other professional staff	-	29,895	500	-	30,395
Personal services-employee benefits	-	-	-	68,595	68,595
Purchased prof. and educational services	-	59,678	-	-	59,678
Purchase professional and technical services	40,680	-	-	7,092	47,772
Purchase professional	-	-	-	-	-
Building	-	-	-	-	-
Travel	-	10,270	-	-	10,270
Other Objects	-	-	-	-	-
Supplies and materials	-	2,484	11,024	-	13,508
Student activities	-	972,386	-	-	972,386
Total support services	40,680	1,074,713	11,524	279,442	1,406,359
Facilities acquisition and const. serv.:					
Building	-	-	-	-	-
Non-Instructional equipment	-	-	-	1,656	1,656
Total facilities acquisition and const. serv.:	-	-	-	1,656	1,656
Total Expenditures	156,452	2,114,817	49,431	707,562	3,028,262
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	74,564	-	-	74,564
Fund Balance, July 1	-	368,902	-	-	368,902
Fund Balance, June 30	\$ -	\$ 443,466	\$ -	\$ -	\$ 443,466

DELRAN TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2024

	Emergent Cap. & Maint	Nonpublic Textbook	Nonpublic Nursing	Nonpublic Security	Nonpublic Technology	Chapter 192 Auxiliary Services Compensatory Education	Chapter 192 Auxiliary Services ESL	Chapter 193 Handicapped Services Supplementary Instruction	Chapter 193 Handicapped Services Corrective Speech	Chapter 193 Handicapped Services Exam & Classification	Carried Forward (Exh. E-1A)
REVENUES:											
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources		13,405	40,680	58,399	14,891	2,517	458	-	3,720	22,382	156,452
Total Revenues	-	13,405	40,680	58,399	14,891	2,517	458	-	3,720	22,382	156,452
EXPENDITURES:											
Instruction:											
Purchased professional educational services						2,517	458	-	3,720		6,695
Professional technical services										22,382	22,382
General supplies				58,399	14,891						73,290
Textbooks		13,405									13,405
Total instruction	-	13,405	-	58,399	14,891	2,517	458	-	3,720	22,382	115,772
Support services:											
Purchased prof. and educational services											-
Purchase professional and technical services			40,680								40,680
Purchase professional											-
Building											-
Total support services	-	-	40,680	-	-	-	-	-	-	-	40,680
Facilities acquisition and const. serv.:											
Building											-
Non-Instructional equipment											-
Total facilities acquisition and const. serv.:	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	13,405	40,680	58,399	14,891	2,517	458	-	3,720	22,382	156,452
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DELRAN TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2024

	Every Student Succeeds Act (ESSA)					IDEA Part B			Student Activity Fund	Carried Forward (Exh. E-1A)
	Title I	Title II-A	Title III	Title III Immigrant	Title IV	Basic	ARP Basic	Preschool		
REVENUES:										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,046,950	\$ 1,046,950
State sources										-
Federal sources	308,384	28,815	36,469	2,178	11,428	742,111		13,046		1,142,431
Total Revenues	308,384	28,815	36,469	2,178	11,428	742,111	-	13,046	1,046,950	2,189,381
EXPENDITURES:										
Instruction:										
Salaries of teachers	301,291		8,608							309,899
Purchased professional educational services			1,400							1,400
Tuition						704,193				704,193
General supplies	7,093				4,473			13,046		24,612
Other Objects										-
Total instruction	308,384	-	10,008	-	4,473	704,193	-	13,046	-	1,040,104
Support services:										
Salaries of other professional staff		7,830	19,887	2,178						29,895
Personal services-employee benefits										-
Purchased prof. and educational services		15,460			6,300	37,918				59,678
Travel		5,525	4,745							10,270
Supplies and materials			1,829		655					2,484
Student Activities									972,386	972,386
Total support services	-	28,815	26,461	2,178	6,955	37,918	-	-	972,386	1,074,713
Facilities acquisition and const. serv.:										
Building										
Non-Instructional equipment										
Total facilities acquisition and const. serv.:										
Total Expenditures	308,384	28,815	36,469	2,178	11,428	742,111	-	13,046	972,386	2,114,817
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	74,564	74,564
Fund Balance, July 1	-	-	-	-	-	-	-	-	368,902	368,902
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 443,466</u>	<u>\$ 443,466</u>

DELRAN TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2024

	Private Donation	Sustainable NJ	Schools Health Insurance Fund Wellness Grant	Delran Educ. Foundation	WSFS Community Foundation	Lockheed Martin	Carried Forward (Exh. E-1A)
REVENUES:							
Local sources	\$ 11,024	\$ -	\$ 12,900	\$ -	\$ 3,507	\$ 22,000	\$ 49,431
State sources							-
Federal sources							-
Total Revenues	11,024	-	12,900	-	3,507	22,000	49,431
EXPENDITURES:							
Instruction:							
Salaries of teachers							-
Purchased professional educational services							-
Professional professional technical services			11,900				11,900
Other purchased services							-
General supplies			500		3,507	22,000	26,007
Total instruction	-	-	12,400	-	3,507	22,000	37,907
Support services:							
Salaries of other professional staff			500				500
Professional education services							-
Professional technical services							-
Other Objects							-
Supplies and materials	11,024						11,024
Total support services	11,024	-	500	-	-	-	11,524
Facilities acquisition and const. serv.:							
Engineering							-
Construction							-
Total facilities acquisition and const. serv.:	-	-	-	-	-	-	-
Total Expenditures	11,024	-	12,900	-	3,507	22,000	49,431
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DELRAN TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Statement of Revenues and Expenditures
Budgetary Basis
for the Fiscal Year Ended June 30, 2024

	CRRSA Mental Health	CRRSA ESSER II	CRRSA Learning Acceleration	ARP ESSER III	ARP Accelerated Learning	ARP Summer Learning	ARP NJTSS Mental Health	Middle Grades Career Awareness	Additional or Compensatory Special Education (ACSERS)	Carried Forward (Exh. E-1A)
REVENUES:										
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State sources										
Federal sources	39,762	6,656	9,106	447,412	131,152	1,263			72,211	707,562
Total Revenues	39,762	6,656	9,106	447,412	131,152	1,263	-	-	72,211	707,562
EXPENDITURES:										
Instruction:										
Salaries of teachers			3,164	70,888		1,263				75,315
Professional professional education services				206,843						206,843
Professional professional technical services										-
Tuition									72,211	72,211
General supplies		5,000	3,850	63,245						72,095
Total instruction	-	5,000	7,014	340,976	-	1,263	-	-	72,211	426,464
Support services:										
Salaries	34,762			74,895	94,098					203,755
Employee Benefits				31,541	37,054					68,595
Professional education services										-
Professional technical services	5,000		2,092							7,092
Other Objects										-
Supplies and materials										-
Total support services	39,762	-	2,092	106,436	131,152	-	-	-	-	279,442
Facilities acquisition and const. serv.:										
Building										-
Non-Instructional Equipment										-
Instructional Equipment		1,656								1,656
Total facilities acquisition and const. serv.:	-	1,656	-	-	-	-	-	-	-	1,656
Total Expenditures	39,762	6,656	9,106	447,412	131,152	1,263	-	-	72,211	707,562
Excess (Deficiency) of revenues over (under) expenditures and other financing sources (uses)	-	-	-	-	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Capital Projects Fund
Detail Statements

DELRAN TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year ended June 30, 2024

Revenues and Other Financing Sources:

Bond Proceeds	\$ -
Transfer from Capital Reserve	
Interest Earned on Investments	287,951
	<hr/>
Total revenues and other financing sources	287,951 <hr/>

Expenditures and Other Financing (Uses):

Purchased professional services	877,295
Construction services	1,149,739
Other Objects	231,856
Transfer to Debt Service Fund	287,951
	<hr/>
Total expenditures and other financing (uses)	2,546,841 <hr/>

Excess (deficiency) or revenues over (under) expenditures	(2,258,890)
Fund Balance - July 1	<hr/> 10,487,151
Fund Balance - June 30	<hr/> \$ 8,228,261 <hr/>

DELRAN TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Statement of Project Revenues, Expenditures, Project Balance,
and Project Status - Budgetary Basis
Various Improvements to District Facilities
From Inception and for the Fiscal Year ended June 30, 2024

	Prior Periods	Current Year	Total	Revised Authorized Costs
Revenues and Other Financing Sources:				
Bond proceeds	\$ 12,057,000	\$ -	\$ 12,057,000	\$ 12,057,000
Total revenues	12,057,000	-	12,057,000	12,057,000
Expenditures and Other Financing Uses:				
Purchased professional services	259,209	877,295	1,136,504	1,136,504
Construction services	1,310,640	1,149,739	2,460,379	2,460,379
Other Objects	-	231,856	231,856	231,856
Transfer to Debt Service Fund	-	-	-	-
Total expenditures	1,569,849	2,258,890	3,828,739	3,828,739
Excess (deficiency) of revenues over (under) expenditures	\$ 10,487,151	\$ (2,258,890)	\$ 8,228,261	\$ 8,228,261

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	11/08/22
Bonds Authorized	\$ 12,057,000
Bonds Issued	\$ 12,057,000
Original Authorized Cost	\$ 12,057,000
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 12,057,000
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	0.00%
Original target completion date	09/30/25
Revised target completion date	N/A

DELRAN TOWNSHIP SCHOOL DISTRICT
Capital Projects Fund
Summary Statement of Project Expenditures
Year Ended June 30, 2024

<u>Issue/Project Title</u>	<u>Authorized Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Construction and various improvements to the District's facilities	11/8/22	\$ 12,057,000	\$ 1,569,849	\$ 2,258,890	\$ 8,228,261
Total		<u>\$ 12,057,000</u>	<u>\$ 1,569,849</u>	<u>\$ 2,258,890</u>	<u>\$ 8,228,261</u>

Proprietary Funds

DELTRAN TOWNSHIP SCHOOL DISTRICT

Enterprise Fund

Statement of Net Position
as of June 30, 2024

	Food Service Fund
<hr/>	
ASSETS:	
Current assets:	
Cash and cash equivalents	\$ 411,554
Accounts receivable:	
State	4,454
Federal	82,158
Other	4,555
Inventories	16,118
	<hr/>
Total current assets	518,839
	<hr/>
Fixed assets:	
Equipment	1,386,547
Less: Accumulated depreciation	(831,100)
	<hr/>
Total fixed assets	555,447
	<hr/>
Total assets	1,074,286
	<hr/>
LIABILITIES:	
Current liabilities:	
Accounts payable	96,910
Interfund payable	153,912
Unearned revenue	44,047
	<hr/>
Total current liabilities	294,869
	<hr/>
NET POSITION:	
Net investment in capital assets	555,447
Unreserved retained earnings	223,970
	<hr/>
Total Net Position	\$ 779,417
	<hr/> <hr/>

DELTRAN TOWNSHIP SCHOOL DISTRICT

Enterprise Fund

Statement of Revenues, Expenses and Change in Fund Net Position
for the Fiscal Year ended June 30, 2024

	Food Service Fund
OPERATING REVENUES:	
Local sources:	
Daily sales-reimbursable programs:	
School lunch program	\$ 366,887
School breakfast program	46,329
Total-daily sales-reimbursable programs	413,216
Daily sales non-reimbursable programs	306,442
Total operating revenue	719,658
OPERATING EXPENSES:	
Salaries	537,191
Employee benefits	24,244
Supplies and materials	56,830
Depreciation	72,207
Management fee	102,046
Purchased professional services	157,500
Repairs and maintenance of equipment	62,853
Cost of sales - reimbursable programs	437,143
Cost of sales - nonreimbursable programs	137,744
Direct services	46,455
Other	3,368
Total operating expenses	1,637,581
Operating income (loss)	(917,923)
Non-operating revenues:	
State sources:	
State school lunch program	20,614
State school breakfast program	1,962
NJEIE lunch	1,136
NJEIE breakfast	266
Federal sources:	
National school lunch program	374,680
National school breakfast program	88,648
Supply chain assistance	69,588
Summer P-EBT	653
Local food for schools	1,759
U.S.D.A. commodities	84,550
Interest income	13,913
Total non-operating revenues	657,769
Net income (loss)	(260,154)
Net Position - July 1	1,039,571
Net Position - June 30	\$ 779,417

DELRAN TOWNSHIP SCHOOL DISTRICT
Enterprise Fund
Statement of Cash Flows
for the Fiscal Years ended June 30, 2024

	<u>Food Service Fund</u>
Cash flows from operating activities:	
Cash receipts from customers	733,079
Cash payments to employees for services	(509,855)
Cash payments to suppliers for goods and services	<u>(887,022)</u>
Net cash used by operating activities	<u>(663,798)</u>
Cash flows from noncapital financing activities:	
Cash received from state and federal reimbursements	<u>498,315</u>
Net cash provided by noncapital financing activities	<u>498,315</u>
Cash flows from capital financing activities:	
Purchases of fixed assets	<u>(18,142)</u>
Net cash used by capital financing activities	<u>(18,142)</u>
Cash flows from investing activities:	
Interest on investments	<u>13,913</u>
Net cash provided by investing activities	<u>13,913</u>
Net increase (decrease) in cash and cash equivalents	(169,712)
Cash and cash equivalents, July 1	<u>581,266</u>
Cash and cash equivalents, June 30	<u><u>\$ 411,554</u></u>
Reconciliation of operating income (loss) to net cash provided	
(used) by operating activities:	
Operating income (loss)	\$ (917,923)
Adjustments to reconcile operating income (loss)	
to cash provided (used) by operating activities:	
Depreciation	72,207
Federal commodities	84,550
Change in assets and liabilities:	
(Increase)/decrease in accounts receivable	(2,715)
(Increase)/decrease in inventory	(3,168)
Increase/(decrease) in unearned revenue	16,136
Increase/(decrease) in interfunds payable	-
Increase/(decrease) in accounts payable	<u>87,115</u>
Net cash used by operating activities	<u><u>\$ (663,798)</u></u>

Long-Term Debt Schedules

DELRAN TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Schedule of Serial Bonds
June 30, 2024

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2023	Issued	Retired	Balance June 30, 2024
			Date	Amount					
Refunding School Bonds	4/14/2016	\$ 21,360,000	7/15/2024	\$ 2,045,000	2.000%	\$ 14,940,000	\$ -	\$ 1,980,000	\$ 12,960,000
			7/15/2025	2,080,000	2.000%				
			7/15/2026	2,125,000	2.125%				
			7/15/2027	2,180,000	4.000%				
			7/15/2028	2,245,000	2.250%				
			7/15/2029	2,285,000	2.500%				
				<u>\$ 12,960,000</u>					
School Bonds	12/29/2022	12,057,000	8/15/2024	377,000	3.125%	12,057,000			12,057,000
			8/15/2025	375,000	3.250%				
			8/15/2026	380,000	3.250%				
			8/15/2027	385,000	3.250%				
			8/15/2028	390,000	3.250%				
			8/15/2029	400,000	3.250%				
			8/15/2030	750,000	3.250%				
			8/15/2031	750,000	3.250%				
			8/15/2032	750,000	3.250%				
			8/15/2033	750,000	3.500%				
			8/15/2034	750,000	3.500%				
			8/15/2035	750,000	3.500%				
			8/15/2036	750,000	3.625%				
			8/15/2037	750,000	4.000%				
			8/15/2038	750,000	4.000%				
			8/15/2039	750,000	4.000%				
			8/15/2040	750,000	4.000%				
			8/15/2041	750,000	4.000%				
			8/15/2042	750,000	4.000%				
				<u>\$ 12,057,000</u>					
					Total	<u>\$ 26,997,000</u>	<u>\$ -</u>	<u>\$ 1,980,000</u>	<u>\$ 25,017,000</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 2,128,597	\$ -	\$ 2,128,597	\$ 2,128,597	\$ -
Miscellaneous					-
Total revenues - local sources	<u>2,128,597</u>		<u>2,128,597</u>	<u>2,128,597</u>	
State sources:					
Debt service aid type II	624,832		624,832	624,832	
Total revenues - state sources	<u>624,832</u>		<u>624,832</u>	<u>624,832</u>	
Total Revenues	<u>2,753,429</u>		<u>2,753,429</u>	<u>2,753,429</u>	
EXPENDITURES:					
Regular debt service:					
Redemption of principal	1,980,000		1,980,000	1,980,000	
Interest on bonds	846,834		846,834	846,834	-
Total Expenditures	<u>2,826,834</u>		<u>2,826,834</u>	<u>2,826,834</u>	-
Excess (Deficiency) of revenues over (under) expenditures	(73,405)		(73,405)	(73,405)	
Other Financing Sources (Uses):					
Operating transfer in				287,951	287,951
Total Other Financing Sources (Uses)				<u>287,951</u>	<u>287,951</u>
Excess (Deficiency) of revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(73,405)		(73,405)	214,546	287,951
Fund Balances, July 1	<u>73,405</u>		<u>73,405</u>	<u>199,352</u>	<u>125,947</u>
Fund Balances, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 413,898</u>	<u>\$ 413,898</u>

DELRAN TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group

Schedule of Obligations Under Subscription-Based Information Technology Arrangements (SBITAs)
June 30, 2024

Description	Interest Rate Payable	Amount of Original Issue	Balance June 30, 2023	Issued Current Year	Retired Current Year	Balance June 30, 2024
EdGems Math Software	4.00%	\$ 44,113	\$ 32,415	\$ -	\$ 10,376	\$ 22,039
Total			<u>\$ 32,415</u>	<u>\$ -</u>	<u>\$ 10,376</u>	<u>\$ 22,039</u>

DELRAN TOWNSHIP SCHOOL DISTRICT
General Long-Term Debt Account Group
Schedule of Obligations Under Financed Purchases
June 30, 2024

Description	Interest Rate Payable	Amount of Original Issue	Balance June 30, 2023	Issued Current Year	Retired Current Year	Balance June 30, 2024
Energy Savings Improvement Program	2.38%	\$ 4,560,000	\$ 2,754,000	\$ -	\$ 250,000	\$ 2,504,000
Toshiba Copiers	0.39%	465,544	292,348	-	92,903	199,445
Technology Equipment	5.35%	288,259	-	288,259	-	288,259
Total			<u>\$ 3,046,348</u>	<u>\$ 288,259</u>	<u>\$ 342,903</u>	<u>\$ 2,991,704</u>

Statistical Section

Delran Township School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-1

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	\$ 10,712,615	\$ 10,878,711	\$ 7,573,286	\$ 9,030,715	\$ 10,530,730	\$ (4,026,452)	\$ (2,912,182)	\$ (2,174,706)	\$ (12,660,012)	\$ (8,307,295)
Restricted for:										
Special revenue	-	-	-	-	-	-	353,945	355,366	368,902	443,466
Capital projects	1,331,293	1,044,651	1,844,651	2,852,299	3,654,443	3,852,514	7,802,732	9,517,145	17,431,576	18,608,686
Debt service	1	38,111	165,581	129,961	6,571	4,080	-	73,405	199,352	413,898
Other purposes	2,337,998	2,173,183	2,346,384	2,454,249	2,426,714	5,197,323	2,938,854	2,346,014	2,921,295	3,551,489
Unrestricted	(8,719,600)	(8,758,019)	(10,214,670)	(10,861,221)	(11,047,165)	(10,966,677)	(9,063,830)	(8,244,532)	(3,535,837)	(9,449,052)
Total governmental activities net position	<u>\$ 5,662,307</u>	<u>\$ 5,376,637</u>	<u>\$ 1,715,232</u>	<u>\$ 3,606,003</u>	<u>\$ 5,571,293</u>	<u>\$ (5,939,212)</u>	<u>\$ (880,481)</u>	<u>\$ 1,872,692</u>	<u>\$ 4,725,276</u>	<u>\$ 5,261,192</u>
Business-type activities:										
Net investment in capital assets	\$ 174,790	\$ 236,411	\$ 253,287	\$ 224,091	\$ 314,557	\$ 371,201	\$ 349,741	\$ 681,416	\$ 609,512	\$ 555,447
Unrestricted	393,459	416,701	516,167	573,706	568,549	368,901	248,184	435,239	430,059	223,970
Total business-type activities net position	<u>\$ 568,249</u>	<u>\$ 653,112</u>	<u>\$ 769,454</u>	<u>\$ 797,797</u>	<u>\$ 883,106</u>	<u>\$ 740,102</u>	<u>\$ 597,925</u>	<u>\$ 1,116,655</u>	<u>\$ 1,039,571</u>	<u>\$ 779,417</u>
District-wide:										
Net investment in capital assets	\$ 10,887,405	\$ 11,115,122	\$ 7,826,573	\$ 9,254,806	\$ 10,845,287	\$ (3,655,251)	\$ (2,562,441)	\$ (1,493,290)	\$ (12,050,500)	\$ (7,751,848)
Restricted:										
Special revenue	-	-	-	-	-	-	353,945	355,366	368,902	443,466
Capital projects	1,331,293	1,044,651	1,844,651	2,852,299	3,654,443	3,852,514	7,802,732	9,517,145	17,431,576	18,608,686
Debt service	1	38,111	165,581	129,961	6,571	4,080	-	73,405	199,352	413,898
Other purposes	2,337,998	2,173,183	2,346,384	2,454,249	2,426,714	5,197,323	2,938,854	2,346,014	2,921,295	3,551,489
Unrestricted	(8,326,141)	(8,341,318)	(9,698,503)	(10,287,515)	(10,478,616)	(10,597,776)	(8,815,646)	(7,809,293)	(3,105,778)	(9,225,082)
Total district net position	<u>\$ 6,230,556</u>	<u>\$ 6,029,749</u>	<u>\$ 2,484,686</u>	<u>\$ 4,403,800</u>	<u>\$ 6,454,399</u>	<u>\$ (5,199,110)</u>	<u>\$ (282,556)</u>	<u>\$ 2,989,347</u>	<u>\$ 5,764,847</u>	<u>\$ 6,040,609</u>

Delran Township School District
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

EXHIBIT J-2

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses:										
Governmental activities:										
Instruction:										
Regular	\$ 13,678,892	\$ 13,777,859	\$ 14,271,786	\$ 14,874,881	\$ 14,812,158	\$ 15,045,728	\$ 16,206,132	\$ 16,339,954	\$ 17,042,125	\$ 20,358,171
Special education	3,992,508	4,181,113	4,348,323	4,358,106	4,810,935	5,031,505	4,930,017	5,658,041	5,774,161	6,010,612
Other instruction	1,181,252	1,156,534	1,240,395	1,314,609	1,500,920	1,514,060	1,438,235	2,032,807	2,442,693	2,594,603
Support Services:										
Tuition	2,300,538	2,154,434	2,496,063	2,485,134	2,690,482	2,478,924	2,280,685	1,868,501	2,073,815	2,167,256
Student & instruction related services	5,389,417	5,736,278	5,248,989	5,715,657	5,988,726	5,803,141	6,559,176	7,778,392	8,665,476	9,123,404
School administrative services	1,536,975	1,523,544	1,536,303	1,446,260	1,538,027	1,525,236	1,519,091	1,548,293	1,557,523	1,665,024
General and business administrative services	1,461,655	1,334,095	1,333,872	1,258,288	1,273,087	1,377,562	1,501,593	1,453,981	1,487,383	1,445,380
Plant operations and maintenance	3,450,635	5,640,717	8,265,197	4,128,216	4,904,280	22,004,120	6,079,576	9,363,697	8,872,525	10,448,707
Pupil transportation	2,224,397	2,128,031	2,042,307	2,197,529	2,345,489	1,794,948	2,051,809	3,271,686	3,504,676	3,422,982
Unallocated employee benefits	11,000,704	12,469,191	13,951,781	27,578,154	24,849,063	23,433,200	30,405,300	26,406,270	25,121,172	26,921,130
Charter schools	-	-	-	52,612	19,535	20,421	56,192	11,344	12,618	6,192
Interest on long-term debt	1,156,126	959,055	794,684	754,274	699,256	614,423	608,066	422,656	661,318	793,787
Unallocated depreciation	46,777	25,715	76,834	37,704	38,018	9,993	45,150	45,149	7,848	883
Total governmental activities expenses	<u>47,419,876</u>	<u>51,086,566</u>	<u>55,606,534</u>	<u>66,201,424</u>	<u>65,469,976</u>	<u>80,653,261</u>	<u>73,681,022</u>	<u>76,200,771</u>	<u>77,223,333</u>	<u>84,958,131</u>
Business-type activities:										
Food service	1,350,480	1,275,494	1,208,353	1,277,048	1,203,391	1,256,245	875,881	1,473,319	1,604,551	1,637,581
Total business-type activities expense	<u>1,350,480</u>	<u>1,275,494</u>	<u>1,208,353</u>	<u>1,277,048</u>	<u>1,203,391</u>	<u>1,256,245</u>	<u>875,881</u>	<u>1,473,319</u>	<u>1,604,551</u>	<u>1,637,581</u>
Total district expenses	<u>\$ 48,770,356</u>	<u>\$ 52,362,060</u>	<u>\$ 56,814,887</u>	<u>\$ 67,478,472</u>	<u>\$ 66,673,367</u>	<u>\$ 81,909,506</u>	<u>\$ 74,556,903</u>	<u>\$ 77,674,090</u>	<u>\$ 78,827,884</u>	<u>\$ 86,595,712</u>
Program Revenues:										
Governmental activities:										
Operating grants and contributions	\$ 5,459,573	\$ 7,183,901	\$ 6,581,335	\$ 21,855,915	\$ 18,959,751	\$ 17,567,684	\$ 24,429,197	\$ 22,430,012	\$ 19,917,972	\$ 21,416,048
Charges for services	-	-	-	-	-	-	128,292	243,828	200,996	133,101
Total governmental activities program revenues	<u>5,459,573</u>	<u>7,183,901</u>	<u>6,581,335</u>	<u>21,855,915</u>	<u>18,959,751</u>	<u>17,567,684</u>	<u>24,557,489</u>	<u>22,673,840</u>	<u>20,118,968</u>	<u>21,549,149</u>
										(Continued)
Business-type activities:										
Charges for services:										
Food service	\$ 718,271	\$ 753,121	\$ 766,428	\$ 755,057	\$ 760,328	\$ 528,188	\$ 18,405	\$ 93,359	\$ 743,698	\$ 719,658
Operating grants and contributions	508,483	546,300	558,267	550,334	528,372	585,053	715,299	1,898,690	775,612	643,856
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>1,226,754</u>	<u>1,299,421</u>	<u>1,324,695</u>	<u>1,305,391</u>	<u>1,288,700</u>	<u>1,113,241</u>	<u>733,704</u>	<u>1,992,049</u>	<u>1,519,310</u>	<u>1,363,514</u>
Total district program revenues	<u>\$ 6,686,327</u>	<u>\$ 8,483,322</u>	<u>\$ 7,906,030</u>	<u>\$ 23,161,306</u>	<u>\$ 20,248,451</u>	<u>\$ 18,680,925</u>	<u>\$ 25,291,193</u>	<u>\$ 24,665,889</u>	<u>\$ 21,638,278</u>	<u>\$ 22,912,663</u>
Net (Expense)/Revenue:										
Governmental activities	(41,960,303)	(43,902,665)	(49,025,199)	(44,345,509)	(46,510,225)	(63,085,577)	(49,123,533)	(53,526,931)	(57,104,365)	(63,408,982)
Business-type activities	(123,726)	23,927	116,342	28,343	85,309	(143,004)	(142,177)	518,730	(85,241)	(274,067)
Total district-wide net expense	<u>(42,084,029)</u>	<u>(43,878,738)</u>	<u>(48,908,857)</u>	<u>(44,317,166)</u>	<u>(46,424,916)</u>	<u>(63,228,581)</u>	<u>(49,265,710)</u>	<u>(53,008,201)</u>	<u>(57,189,606)</u>	<u>(63,683,049)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Property taxes levied for general purposes, net	28,374,222	29,341,706	30,804,368	31,420,455	32,048,864	32,689,841	33,343,638	33,343,638	33,343,638	33,343,638
Taxes levied for debt service	2,051,483	2,054,177	2,075,461	1,965,232	1,849,788	1,962,551	1,962,296	1,965,664	1,961,603	2,128,597
Unrestricted grants and contributions	12,121,250	11,964,625	12,126,123	12,631,641	14,095,659	16,492,207	18,177,230	20,596,935	23,915,751	27,378,488
Investment earnings	-	-	-	-	-	-	-	945	242,917	466,727
Miscellaneous income	184,528	256,487	357,842	218,952	481,204	430,473	265,176	372,922	493,040	627,448
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>42,731,483</u>	<u>43,616,995</u>	<u>45,363,794</u>	<u>46,236,280</u>	<u>48,475,515</u>	<u>51,575,072</u>	<u>53,748,340</u>	<u>56,280,104</u>	<u>59,956,949</u>	<u>63,944,898</u>
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	8,157	13,913
Contributed capital	-	60,936	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>60,936</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,157</u>	<u>13,913</u>
Total district-wide	<u>42,731,483</u>	<u>43,677,931</u>	<u>45,363,794</u>	<u>46,236,280</u>	<u>48,475,515</u>	<u>51,575,072</u>	<u>53,748,340</u>	<u>56,280,104</u>	<u>59,965,106</u>	<u>63,958,811</u>
Change in Net Position:										
Governmental activities	\$ 771,180	\$ (285,670)	\$ (3,661,405)	\$ 1,890,771	\$ 1,965,290	\$ (11,510,505)	\$ 4,624,807	\$ 2,753,173	\$ 2,852,584	\$ 535,916
Business-type activities	(123,726)	84,863	116,342	28,343	85,309	(143,004)	(142,177)	518,730	(77,084)	(260,154)
Total district-wide	<u>\$ 647,454</u>	<u>\$ (200,807)</u>	<u>\$ (3,545,063)</u>	<u>\$ 1,919,114</u>	<u>\$ 2,050,599</u>	<u>\$ (11,653,509)</u>	<u>\$ 4,482,630</u>	<u>\$ 3,271,903</u>	<u>\$ 2,775,500</u>	<u>\$ 275,762</u>

Delran Township School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-3

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Reserved for:										
Encumbrances	\$ 4,487	\$ 53,169	\$ 38,254	\$ 267,653	\$ 115,239	\$ 1,850,017	\$ -	\$ -	\$ 4,633,026	\$ 2,526,476
Maintenance reserve	156,325	156,325	156,325	457,232	859,884	1,860,190	2,156,856	1,859,356	1,901,191	2,243,968
Capital reserve	1,257,888	518,594	1,318,594	2,326,242	3,148,341	3,346,412	7,296,630	9,517,145	6,944,425	10,380,425
Unemployment compensation	-	-	-	-	-	-	78,849	78,849	78,849	78,849
Legally restricted	701,580	675,000	675,000	333,991	708,044	783,967	703,149	-	-	-
Excess surplus	1,475,606	1,288,689	1,476,805	1,395,373	743,547	703,149	-	407,809	941,255	1,228,672
Designated for subsequent year's expenditures	-	-	-	-	-	-	276,834	628,344	1,166,404	128,132
Unreserved	196,045	125,651	165,748	(165,137)	(272,245)	(172,464)	1,312,861	533,290	(782,951)	(1,309,867)
Total general fund	<u>\$ 3,791,931</u>	<u>\$ 2,817,428</u>	<u>\$ 3,830,726</u>	<u>\$ 4,615,354</u>	<u>\$ 5,302,810</u>	<u>\$ 8,371,271</u>	<u>\$ 11,825,179</u>	<u>\$ 13,024,793</u>	<u>\$ 14,882,199</u>	<u>\$ 15,276,655</u>
All Other Governmental Funds										
Reserved:										
Encumbrances	\$ -	\$ -	\$ 47,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 669,063	\$ 5,063,939
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	353,945	355,366	368,902	443,466
Capital projects fund	73,405	526,057	478,709	526,057	506,102	506,102	506,102	-	9,818,088	3,164,322
Debt service fund	1	38,111	165,581	129,961	6,571	4,080	-	73,405	199,352	413,898
Total all other governmental funds	<u>\$ 73,406</u>	<u>\$ 564,168</u>	<u>\$ 691,638</u>	<u>\$ 656,018</u>	<u>\$ 512,673</u>	<u>\$ 510,182</u>	<u>\$ 860,047</u>	<u>\$ 428,771</u>	<u>\$ 11,055,405</u>	<u>\$ 9,085,625</u>

Delran Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-4

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Tax levy	\$ 30,425,705	\$ 31,395,883	\$ 32,879,829	\$ 33,385,687	\$ 33,898,652	\$ 34,652,392	\$ 35,305,934	\$ 35,309,302	\$ 35,305,241	\$ 35,472,235
Tuition charges	85,960	119,734	111,891	39,298	60,249	110,696	128,292	243,828	200,996	133,101
Interest earnings	5,669	4,397	6,285	2,491	19,545	-	-	945	242,917	466,727
Miscellaneous	92,899	147,114	254,251	249,231	401,410	889,615	265,176	372,922	493,040	627,448
Local sources							509,532	975,329	1,098,753	1,096,381
State sources	16,465,984	17,909,513	17,596,690	18,717,152	21,495,363	23,547,446	26,689,194	31,710,998	35,473,071	39,688,288
Federal sources	1,114,839	1,224,255	1,096,183	1,118,437	1,205,859	1,333,880	1,508,729	2,440,586	1,977,553	2,721,601
Total revenue	<u>48,191,056</u>	<u>50,800,896</u>	<u>51,945,129</u>	<u>53,512,296</u>	<u>57,081,078</u>	<u>60,534,029</u>	<u>64,406,857</u>	<u>71,053,910</u>	<u>74,791,571</u>	<u>80,205,781</u>
Expenditures										
Instruction										
Regular Instruction	13,026,318	13,151,593	13,732,319	14,299,393	14,296,065	14,905,664	16,064,848	16,274,869	17,058,882	17,430,129
Special education instruction	3,992,508	4,181,113	4,348,323	4,358,106	4,810,935	5,031,505	4,930,017	5,658,041	5,774,161	6,010,612
Other instruction	1,181,252	1,156,534	1,240,395	1,314,609	1,500,920	1,514,060	1,438,235	2,032,807	2,442,693	2,594,603
Support Services:										
Tuition	2,300,538	2,154,434	2,496,063	2,485,134	2,690,482	2,478,924	2,280,685	1,868,501	2,073,815	2,167,256
Student & instruction related services	5,389,417	5,736,278	5,248,989	5,715,657	5,988,726	5,803,141	6,559,176	7,778,392	8,665,476	9,123,404
School administrative services	1,536,975	1,523,544	1,457,422	1,446,260	1,538,027	1,525,236	1,519,091	1,548,293	1,557,523	1,665,024
General and business admin. services	1,368,100	1,247,661	1,333,872	1,182,879	1,197,051	1,245,430	1,368,895	1,329,203	1,364,940	1,321,870
Plant operations and maintenance	3,989,204	3,690,640	3,878,332	3,902,715	4,006,103	4,179,560	4,361,806	5,247,284	4,601,072	5,039,304
Pupil transportation	2,224,397	2,128,031	2,042,307	2,197,529	2,345,489	1,794,948	2,051,809	3,271,686	3,504,676	3,422,982
Employee benefits	10,931,521	12,204,931	12,596,330	12,679,018	14,427,659	14,860,488	16,770,403	19,684,208	20,805,369	22,158,739
Charter School				52,612	19,535	20,421	56,192	11,344	12,618	6,192
Capital outlay	269,700	1,990,319	4,629,319	845,175	1,748,265	1,765,888	1,291,157	3,236,850	4,163,612	8,014,156
Debt service:										
Principal	1,330,000	1,385,000	1,720,000	1,595,000	1,655,000	1,700,000	1,765,000	1,830,000	1,900,000	1,980,000
Interest and other charges	1,181,170	1,276,516	640,690	768,094	703,794	642,794	579,694	514,094	439,694	846,834
Total expenditures	<u>48,721,100</u>	<u>51,826,594</u>	<u>55,364,361</u>	<u>52,842,181</u>	<u>56,928,051</u>	<u>57,468,059</u>	<u>61,037,008</u>	<u>70,285,572</u>	<u>74,364,531</u>	<u>81,781,105</u>
Excess (Deficiency) of revenues over (under) expenditures	(530,044)	(1,025,698)	(3,419,232)	670,115	153,027	3,065,970	3,369,849	768,338	427,040	(1,575,324)
Other Financing sources (uses)										
Proceeds from borrowing	-	24,609,674	4,560,000	-	-	-	-	-	12,057,000	-
Payment to escrow agent	-	(24,428,603)	-	-	-	-	-	-	-	-
Financed purchases	212,512	360,886	-	78,893	391,084	-	-	-	-	-
Transfers in	-	1,039,294	-	2,491	4,080	-	-	203,651	125,947	287,951
Transfers out	-	(1,039,294)	-	(2,491)	(4,080)	-	-	(203,651)	(125,947)	(287,951)
Total other financing sources (uses)	<u>212,512</u>	<u>541,957</u>	<u>4,560,000</u>	<u>78,893</u>	<u>391,084</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,057,000</u>	<u>-</u>
Net change in fund balances	<u>\$ (317,532)</u>	<u>\$ (483,741)</u>	<u>\$ 1,140,768</u>	<u>\$ 749,008</u>	<u>\$ 544,111</u>	<u>\$ 3,065,970</u>	<u>\$ 3,369,849</u>	<u>\$ 768,338</u>	<u>\$ 12,484,040</u>	<u>\$ (1,575,324)</u>
Debt service as a percentage of noncapital expenditures	5.18%	5.34%	4.65%	4.54%	4.27%	4.21%	3.92%	3.50%	3.33%	3.83%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Delran Township School District
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

EXHIBIT J-5

Fiscal Year Ending June 30,	Interest on Investments	Tuition	Transportation	Prior Year Refunds	Rentals	Other Refunds	Shared Services	Sale of Used Equipment	Miscellaneous	Total
2015	\$ 5,669	\$ 85,960	\$ 22,808	\$ 6,271	\$ 15,859	\$ 14,859	\$ 4,167	\$ 6,772	\$ 22,163	\$ 184,528
2016	4,397	119,734	-	7,430	20,338	93,338	-	2,359	798	248,394
2017	6,285	111,891	31,791	38,204	32,105	103,725	-	21,685	3,306	348,992
2018	16,642	39,298	-	45,282	55,354	48,311	-	11,061	863	216,811
2019	19,545	60,249	-	9,060	18,875	3,080	-	-	26,528	137,337
2020	38,828	110,696	18,515	18,393	21,276	215,345	-	5,911	1,509	430,473
2021	13,195	128,292	-	5,664	-	227,567	-	-	10,902	385,620
2022	10,728	243,828	-	201,373	5,723	73,232	-	1,953	80,858	617,695
2023	125,659	200,996	-	168,347	56,705	57,815	-	1,475	83,039	694,036
2024	246,630	133,101	-	252,199	16,938	51,810	-	316	59,555	760,549
	<u>\$ 91,366</u>	<u>\$ 527,828</u>	<u>\$ 73,114</u>	<u>\$ 124,640</u>	<u>\$ 163,807</u>	<u>\$ 706,225</u>	<u>\$ 4,167</u>	<u>\$ 47,788</u>	<u>\$ 55,167</u>	<u>\$ 1,566,535</u>

Source: District records

Delran Township School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

EXHIBIT J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities a	Net Valuation Taxable	Tax- Exempt Property	Total Direct School Tax Rate b	Estimated Actual (County Equalized) Value
2015	\$ 8,788,000	\$ 1,077,316,900	\$ 2,266,900	\$ 169,007,792	\$ 86,908,700	\$ 55,459,400	\$ 1,399,747,692	\$ 100	\$ 1,399,747,792	\$ 101,847,100	\$ 2.209	\$ 1,538,686,754
2016	13,182,000	1,077,929,700	1,421,600	168,505,292	84,813,300	55,669,400	1,401,521,292	94	1,401,521,386	102,348,400	2.294	1,501,077,722
2017	13,413,500	1,078,777,900	1,042,400	177,038,792	81,554,500	55,699,400	1,407,526,492	94	1,407,526,586	102,106,800	2.353	1,482,302,876
2018	12,164,300	1,084,555,700	822,900	176,468,292	81,554,500	56,089,400	1,411,655,092	90	1,411,655,182	102,779,100	2.383	1,575,402,048
2019	9,678,200	1,090,558,700	822,900	177,248,692	81,054,500	56,284,400	1,415,647,392	90	1,415,647,482	104,504,300	2.422	1,600,293,008
2020	11,132,400	1,095,433,100	447,200	181,430,000	80,554,500	56,284,400	1,425,281,600	90	1,425,281,690	105,501,700	2.454	1,648,121,796
2021	13,633,200	1,096,512,300	446,900	180,196,900	80,554,500	56,284,400	1,427,628,200	87	1,427,628,287	105,544,800	2.474	1,640,349,905
2022	22,530,300	1,095,797,000	435,000	178,188,400	80,554,500	57,279,400	1,434,784,600	87	1,434,784,687	105,675,100	2.461	1,740,870,186
2023	19,539,300	1,101,762,800	469,900	176,958,200	80,554,500	57,279,400	1,436,142,200	73	1,436,142,273	109,493,900	2.470	1,960,529,092
2024	13,341,800	1,124,743,200	482,900	177,908,900	80,711,700	71,535,200	1,468,723,700	73	1,468,723,773	111,906,900	2.471	2,195,766,155

Source: Municipal Tax Assessor

Note:

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

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

c Information not available.

Delran Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

EXHIBIT J-7

Fiscal Year Ended June 30,	Delan School District Direct Rate			Overlapping Rates		Municipal Open Space	Fire District	Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Township of Delran	Burlington County			
2015	\$ 2.062	\$ 0.147	\$ 2.209	\$ 0.765	\$ 0.455	\$ 0.023	\$ 0.155	\$ 3.607
2016	2.147	0.147	2.294	0.764	0.437	0.023	0.150	3.668
2017	2.209	0.144	2.353	0.761	0.429	0.023	0.157	3.723
2018	2.248	0.135	2.383	0.772	0.447	0.023	0.158	3.783
2019	2.287	0.135	2.422	0.791	0.451	0.022	0.161	3.847
2020	2.317	0.137	2.454	0.790	0.458	0.022	0.159	3.883
2021	2.337	0.137	2.474	0.790	0.448	0.022	0.157	3.891
2022	2.324	0.137	2.461	0.790	0.457	0.022	0.159	3.889
2023	2.322	0.148	2.470	0.790	0.487	0.028	0.165	3.940
2024	2.316	0.155	2.471	0.790	0.527	0.028	0.160	3.976

Source: Municipal Tax Collector

Note:

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

**Delran Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

EXHIBIT J-8

Taxpayer	2024		Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Berk & Berk at Swedes Run, LLC	\$ 40,819,000	2.78%	Berk & Berk Hunter's Glen	\$ 40,217,500	2.87%
New Jersey American Water Co.	25,361,800	1.73%	New Jersey American Water Co.	26,421,800	1.89%
HP BC Hartford, LLC	24,338,400	1.66%	Hartford Corners	23,391,000	1.67%
Simon & Schuster	20,900,000	1.42%	Whitesell Enterprises	20,204,900	1.44%
SDK Tenby Chase	16,460,400	1.12%	Tenby Chase Investors, LLC	16,460,400	1.18%
Delran Chester Multi-Family, LLC	14,225,800	0.97%	Simon & Schuster	14,358,700	1.03%
GDT Cinnaminson Owner, LLC	10,500,000	0.71%	GPT Cinnaminson Owners	1,050,000	0.08%
Target	9,598,900	0.65%	Target	9,598,900	0.69%
Lowes	8,888,600	0.61%	Lowes	9,096,200	0.65%
INVO Delran	8,041,300	0.55%	KIOP Delran	7,729,400	0.55%
Total	<u>\$ 179,134,200</u>	<u>12.20%</u>	Total	<u>\$ 168,528,800</u>	<u>12.04%</u>

Source: Municipal Tax Assessor

**Delran Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

EXHIBIT J-9

Fiscal Year Ended June 30,	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$ 30,425,705	\$ 30,425,705	100.00%	\$ -
2016	31,395,883	31,395,883	100.00%	-
2017	32,879,829	32,879,829	100.00%	-
2018	33,385,687	33,385,687	100.00%	-
2019	33,898,652	33,898,652	100.00%	-
2020	34,652,392	34,652,392	100.00%	-
2021	35,305,934	35,305,934	100.00%	-
2022	35,309,302	35,309,302	100.00%	-
2023	35,305,241	35,305,241	100.00%	-
2024	35,472,235	35,472,235	100.00%	-

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

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

Delran Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-10

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Percentage of Personal Income ^a	Per Capita ^b
	General Obligation Bonds	Financed Purchases/ IT- Subscriptions			
2015	\$ 27,613,000	\$ 458,875	\$ 28,071,875	3.01%	\$ 1,681
2016	27,105,000	620,194	27,725,194	2.91%	1,673
2017	25,385,000	4,934,594	30,319,594	3.09%	1,834
2018	23,790,000	4,418,425	28,208,425	2.79%	1,708
2019	22,135,000	4,155,674	26,290,674	2.51%	1,592
2020	20,435,000	3,809,880	24,244,880	2.19%	1,472
2021	18,670,000	3,455,812	22,125,812	1.78%	1,240
2022	16,840,000	3,648,700	20,488,700	1.62%	1,143
2023	26,997,000	3,046,348	30,043,348	c	1,643
2024	25,017,000	3,013,743	28,030,743	c	c

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

a Based on Per Capita Income for Burlington County

b Based on School District Population as of July 1.

c Not available

Delran Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(dollars in thousands, except per capita)

EXHIBIT J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2015	\$ 27,613,000	\$ -	\$ 27,613,000	1.97%	\$ 1,654
2016	27,105,000	-	27,105,000	1.93%	1,636
2017	25,385,000	-	25,385,000	1.80%	1,536
2018	23,790,000	-	23,790,000	1.69%	1,441
2019	22,135,000	-	22,135,000	1.56%	1,340
2020	20,435,000	-	20,435,000	1.43%	1,240
2021	18,670,000	-	18,670,000	1.31%	1,047
2022	16,840,000	-	16,840,000	1.17%	939
2023	26,997,000	-	26,997,000	1.88%	1,476
2024	25,017,000	-	25,017,000	1.70%	c

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

a See Exhibit J-6 for property tax data.

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

c Information not available.

**Delran Township School District
Ratios of Overlapping Governmental Activities Debt
As of December 31, 2023**

EXHIBIT J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Township of Delran	\$ 14,876,654	100.000%	\$ 14,876,654
Burlington County General Obligation Debt	189,976,353	3.377%	6,415,501
			<hr/>
Subtotal, overlapping debt			21,292,155
Delran Township School District Direct Debt			<hr/>
			25,017,000
Total direct and overlapping debt			<hr/> <hr/>
			\$ 46,309,155

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.

Note: Debt outstanding data provided by each governmental unit.
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 Delran. 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.

Delran Township School District
Legal Debt Margin Information,
Last Ten Fiscal Years
(dollars in thousands)

EXHIBIT J-13

Legal Debt Margin Calculation for Fiscal Year 2024

	Equalized valuation basis	
	2020	\$ 1,726,482,283
	2021	1,952,619,216
	2022	2,140,620,361
	[A]	<u><u>\$ 5,819,721,860</u></u>
Average equalized valuation of taxable property	[A/3]	\$ 1,939,907,287
Debt limit (4% of average equalized valuation)	[B]	77,596,291 a
Net bonded school debt	[C]	<u>25,017,000</u>
Legal debt margin	[B-C]	<u><u>\$ 52,579,291</u></u>

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 62,349,753	\$ 61,096,160	\$ 59,979,326	\$ 60,385,300	\$ 61,676,451	\$ 63,822,341	\$ 64,709,908	\$ 66,528,875	\$ 70,813,050	\$ 77,596,291
Total net debt applicable to limit	<u>27,613,000</u>	<u>27,105,000</u>	<u>25,385,000</u>	<u>23,790,000</u>	<u>22,135,000</u>	<u>20,435,000</u>	<u>18,670,000</u>	<u>16,840,000</u>	<u>26,997,000</u>	<u>25,017,000</u>
Legal debt margin	<u><u>\$ 34,736,753</u></u>	<u><u>\$ 33,991,160</u></u>	<u><u>\$ 34,594,326</u></u>	<u><u>\$ 36,595,300</u></u>	<u><u>\$ 39,541,451</u></u>	<u><u>\$ 43,387,341</u></u>	<u><u>\$ 46,039,908</u></u>	<u><u>\$ 49,688,875</u></u>	<u><u>\$ 43,816,050</u></u>	<u><u>\$ 52,579,291</u></u>
Total net debt applicable to the limit as a percentage of debt limit	44.29%	44.36%	42.32%	39.40%	35.89%	32.02%	28.85%	25.31%	38.12%	32.24%

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

a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

**Delran Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

EXHIBIT J-14

<u>Year</u>	<u>Population ^a</u>	<u>Personal Income ^b</u>	<u>Per Capita Personal Income ^c</u>	<u>Unemployment Rate ^d</u>
2015	16,698	\$ 933,835,650	\$ 55,925	4.1%
2016	16,572	954,265,476	57,583	3.9%
2017	16,529	979,690,359	59,271	3.6%
2018	16,515	1,009,727,100	61,140	3.5%
2019	16,513	1,049,037,864	63,528	3.0%
2020	16,476	1,106,429,304	67,154	7.7%
2021	17,838	1,239,669,648	69,496	5.9%
2022	17,930	1,263,132,640	70,448	2.9%
2023	18,291	e	e	3.5%
2024	e	e	e	e

Source:

- ^a Population information provided by the NJ Dept of Labor and Workforce Development.
- ^b Personal income for Delran Township.
- ^c Per Capita for Burlington County.
- ^d Unemployment data provided by the NJ Dept of Labor and Workforce Development.
- ^e Not available.

Delran Township School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Years

Exhibit J-16

<u>Function/Program</u>	<u>Fiscal Year Ending June 30,</u>									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Instruction										
Regular	208	211	214	222	222	225	228	240	247	243
Special education	40	41	43	43	43	43	45	47	50	58
Other special education	10	10	10	9	9	13	16	13	13	14
Support Services:										
Student & instruction related services	80	76	79	81	81	81	81	83	84	95
School administrative services	20	20	20	20	20	20	20	21	23	22
General and business administrative services	4	4	4	4	4	4	4	5	5	6
Plant operations and maintenance	12	12	12	11	11	11	11	12	12	11
Pupil transportation	1	1	1	1	1	1	1	2	2	3
Business and other support services	9	8	9	9	9	8	9	9	10	9
Total	<u>384</u>	<u>383</u>	<u>392</u>	<u>400</u>	<u>400</u>	<u>406</u>	<u>415</u>	<u>432</u>	<u>446</u>	<u>461</u>

Source: District Personnel Records

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio				Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Intermediate	Middle	Senior High School				
2015	2,980	\$ 45,940,230	\$ 15,416	2.87%	258	1:16	1:14	1:11	1:11	2,979	2,840	0.78%	95.33%
2016	3,018	47,174,159	15,631	1.39%	262	1:16	1:14	1:11	1:11	3,020	2,888	1.38%	95.63%
2017	2,986	48,374,352	16,200	3.64%	267	1:16	1:14	1:11	1:11	2,982	2,841	-1.26%	95.27%
2018	2,937	49,633,912	16,900	4.32%	274	1:16	1:14	1:11	1:11	2,946	2,811	-1.21%	95.42%
2019	2,961	52,820,992	17,839	5.56%	274	1:16	1:14	1:11	1:11	2,960	2,843	0.48%	96.05%
2020	2,981	53,359,377	17,900	0.34%	281	1:16	1:14	1:11	1:11	2,984	2,897	0.81%	97.08%
2021	2,959	57,401,157	19,399	8.37%	289	1:16	1:14	1:11	1:11	2,894	2,795	-3.02%	96.58%
2022	2,858	64,704,628	22,640	16.71%	300	1:16	1:14	1:11	1:11	2,882	2,733	-0.41%	94.83%
2023	2,876	67,861,225	23,596	4.22%	310	1:16	1:14	1:11	1:11	2,845	2,681	-1.29%	94.24%
2024	2,873	70,940,115	24,692	4.65%	315	1:16	1:14	1:11	1:11	2,840	2,692	-1.29%	94.79%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Delran Township School District
School Building Information
Last Nine Fiscal Years**

EXHIBIT J-18

	Fiscal Year Ending June 30,									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>District Building</u>										
<u>Elementary</u>										
Delran High School (1975)										
Square Feet	158,436	158,436	158,436	158,436	158,436	158,436	158,436	158,436	158,436	158,436
Capacity (students)	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060
Enrollment	851	884	890	879	915	891	931	912	911	924
Delran Middle School (1960)										
Square Feet	100,851	100,851	100,851	100,851	100,851	100,851	100,851	100,851	100,851	100,851
Capacity (students)	750	750	750	750	750	750	750	750	750	750
Enrollment	691	723	714	734	692	695	704	723	706	680
Delran Intermediate School (1996)										
Square Feet	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000	63,000
Capacity (students)	745	745	745	745	745	745	745	745	745	745
Enrollment	695	660	704	682	695	667	656	610	588	576
Millbridge Elementary School (1970)										
Square Feet	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
Capacity (students)	945	945	945	945	945	945	945	945	945	945
Enrollment	741	753	674	651	658	645	603	636	640	660

Number of Schools at June 30, 2024
 Elementary = 2
 Middle School = 1
 High School = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October district count.

Delran Township School District
Schedule of Required Maintenance
Last Ten Years

EXHIBIT J-19

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

		Fiscal Year Ending June 30,										Total
* School Facilities	Project #	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Delran School District												
Millbridge School	N/A	\$ 203,415	\$ 180,695	\$ 191,295	\$ 193,469	\$ 168,971	\$ 191,765	\$ 274,723	\$ 378,478	\$ 220,507	\$ 241,619	\$ 2,244,937
Intermediate School	N/A	172,902	153,591	162,601	164,449	143,625	163,000	233,514	280,519	187,431	205,377	1,867,009
Middle School	N/A	244,098	216,834	229,554	232,163	202,765	230,118	329,667	449,058	264,609	289,944	2,688,810
High School	N/A	396,658	352,356	373,026	377,264	329,494	373,940	535,710	705,465	429,989	471,159	4,345,061
Total School Facilities		<u>\$ 1,017,073</u>	<u>\$ 903,476</u>	<u>\$ 956,476</u>	<u>\$ 967,345</u>	<u>\$ 844,855</u>	<u>\$ 958,823</u>	<u>\$ 1,373,614</u>	<u>\$ 1,813,520</u>	<u>\$ 1,102,536</u>	<u>\$ 1,208,099</u>	<u>\$ 11,145,817</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

**Delran Township School District
Insurance Schedule
June 30, 2024**

EXHIBIT J-20

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - Utica National Insurance Company		
Commercial Package:		
Building and Contents	\$ 140,648,947	\$ 1,000
School Board Legal Liability	1000000/3000000	5,000
Commercial Crime/Blanket Employee Dishonesty	400,000	\$250 per occurrence
Umbrella Declarations	15,000,000	10,000
Excess Great American Insurance	10,000,000	
Allied World Assurance Co.	10,000,000	
Hudson Insurance Co.	10,000,000	
Worker's Compensation - New Jersey School Insurance Group	3,000,000	
Student Accident Insurance - Federal Insurance Company	6,000,000	
Student Accident Base - Federal Insurance Company	500,000	
Surety Bond Coverage's - RLI Insurance Co.		
School Business Administrator	350,000	

Source: District records

Single Audit Section

INVERSO & STEWART, LLC
Certified Public Accountants

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 American Institute of CPAs
 New Jersey Society of CPAs

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

INDEPENDENT AUDITOR'S REPORT

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

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Delran Township School District (the "District"), in the County of Burlington, State of New Jersey, 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 my report thereon dated December 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the 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 my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I 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 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.

My 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 my audit I did not identify any deficiencies in internal control that I 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, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that is 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 which is described in the accompanying *Schedule of Findings and Questioned Costs and Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance* as finding no: 2024-001.

The Delran Township School District's Response to Findings

The Delran Township School District's response to the finding identified in my audit is described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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, and federal and state awarding agencies and pass-through entities, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 20, 2024

INVERSO & STEWART, LLC
Certified Public Accountants

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT
 ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE
 UNIFORM GUIDANCE AND STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

I have audited Delran Township School District's (the "District"), in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on 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 Auditor's Results section of the accompanying Schedule of Findings and Questioned costs.

In my 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

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. My responsibilities under those standards and the Circular 15-08-OMB are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of the District and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal and state program. My 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.

Auditor's Responsibilities for the Audit of Compliance

My 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 my 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 N.J. Circular 15-08-OMB 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, 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 N.J. Circular 15-08-OMB, I:

- 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 I 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 N.J. Circular 15-08-OMB, 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.

I am 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 I identified during the audit.

Report on Internal Control over Compliance

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

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during my audit I did not identify any deficiencies in internal control over compliance that I 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.

My 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.

Purpose of this Report

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

INVERSO & STEWART, LLC
Certified Public Accountants



Robert P. Inverso
Certified Public Accountant
Public School Accountant No. CS001095

Marlton, New Jersey
December 20, 2024

DELRAN TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2024

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period	June 30, 2023			Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustment	Repayment of Prior Years' Balances	June 30, 2024		
						Accounts Receivable	Deferred Revenue	Due to Grantor						Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Health & Human Services																
Passed-through State Department of Health & Human Services:																
<u>General Fund:</u>																
Medical Assistance Program - (SEMI)	93.778	2005NJ5MAP	N/A	\$ 81,099	7/1/23 - 6/30/24	\$ -	\$ -	\$ -	\$ -	\$ 81,099	\$ (81,099)	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Fund						-	-	-	-	81,099	(81,099)	-	-	-	-	-
U.S. Department of Education																
Passed-through State Department of Education:																
<u>Special Revenue Fund:</u>																
<u>Every Student Succeeds Act (ESSA)</u>																
Title I - Current Year	84.010	S010A230030	ESSA-1060-24	360,924	7/1/23 - 9/30/24											
Title I - Prior Year	84.010	S010A220030	ESSA-1060-23	242,467	7/1/22 - 9/30/23	(35,778)				260,526	(305,194)			(44,668)		
										38,968	(3,190)			-		
Title IIA - Current Year	84.367A	S367A230029	ESSA-1060-24	65,203	7/1/23 - 9/30/24											
Title IIA - Prior Year	84.367A	S367A220029	ESSA-1060-23	61,645	7/1/22 - 9/30/23	(2,037)				23,783	(28,815)			(5,032)		
										2,037				-		
Title III - Current Year	84.365	S365A230030	ESSA-1060-24	69,798	7/1/23 - 9/30/24											
Title III - Prior Year	84.365	S365A220030	ESSA-1060-23	57,310	7/1/22 - 9/30/23	(14,274)				13,220	(29,064)			(15,844)		
										21,679	(7,405)			-		
Title III - Current Year - Immigrant	84.365	S365A230030	ESSA-1060-24	16,623	7/1/23 - 9/30/24					1,954	(2,178)			(224)		
Title IV - Current Year	84.424	S424A230031	ESSA-1060-24	29,613	7/1/23 - 9/30/24											
Title IV - Prior Year	84.424	S424A220031	ESSA-1060-23	24,844	7/1/22 - 9/30/23	(2,090)				8,502	(10,928)			(2,426)		
										2,590	(500)			-		
<u>Individuals With Disabilities Act (I.D.E.A.)</u>																
Part B - Basic - Current Year	84.027A	H027A230100	IDEA-1060-24	747,182	7/1/22 - 9/30/24											
Part B - Basic - Prior Year Year	84.027A	H027A220100	IDEA-1060-23	674,467	7/1/21 - 9/30/23	(5,595)				519,541	(742,111)			(222,570)		
										5,595				-		
ARP Part B - Basic	84.027X	H027X210100	IDEA-1060-22	150,826	7/1/21 - 9/30/22	(4,882)				4,882				-		
Part B - Preschool - Current Year	84.173A	H173A230114	IDEA-1060-24	27,167	7/1/23 - 9/30/24						(13,046)			(13,046)		
Part B - Preschool - Prior Year	84.173A	H173A220114	IDEA-1060-23	29,824	7/1/22 - 9/30/23	(29,824)				29,824				-		
<u>Coronavirus Response and Relief Supplemental Act:</u>																
CRRSA - ESSER II	84.425D	S425D210027	N/A	1,020,145	3/13/20 - 9/30/23	(165,837)				172,493	(6,656)			-		
CRRSA - Learning Acceleration	84.425D	S425D210027	N/A	65,467	3/13/20 - 9/30/23	(5,425)					(9,106)			-		
CRRSA - Mental Health	84.425D	S425D210027	N/A	45,000	3/13/20 - 9/30/23	(4,269)				44,031	(39,762)			-		
<u>American Rescue Plan:</u>																
ARP - ESSER III	84.425U	S425D210027	N/A	2,292,710	3/13/20 - 9/30/24	(1,599,421)				1,005,897	(447,412)			(1,040,936)		
ARP - Accelerated Learning	84.425U	S425D210027	N/A	269,881	3/13/20 - 9/30/24	(36,406)				136,067	(131,152)			(31,491)		
ARP - Summer Learning and Enrichment	84.425U	S425D210027	N/A	40,000	3/13/20 - 9/30/24		3,322				(1,263)				2,059	
ARP - Mental Health	84.425U	S425D210027	N/A	45,000	3/13/20 - 9/30/24	(18,543)				18,543				-		
Perkins - Middle Grades Career Awareness	84.048	V048A220030	22E00123	68,500	9/1/22 - 6/30/23	(68,050)				68,500					450	
U.S. Department of Treasury																
Passed-through State Department of Education:																
Additional or Compensatory Special Ed. (ACSERS)	21.027	SLFRFDOE1SES	N/A	300,185	7/1/2022 - 6/30/23	(177,354)				177,354				-		
Additional or Compensatory Special Ed. (ACSERS)	21.027	SLFRFDOE1SES	N/A	72,211	7/1/2023 - 6/30/24						(72,211)			(72,211)		
Total Special Revenue Fund						(2,169,785)	3,322	-	-	2,570,517	(1,849,993)	-	-	(1,448,448)	2,509	-
U.S. Department of Agriculture																
Passed-through State Department of Agriculture:																
<u>Enterprise Fund:</u>																
Food Distribution Program	10.555	241NJ304N1099	N/A	84,550	10/1/23 - 9/30/24					84,550	(84,550)					
National School Lunch Program	10.555	241NJ304N1099	N/A	374,680	10/1/23 - 9/30/24					311,341	(374,680)			(63,339)		
National School Lunch Program	10.555	231NJ304N1099	N/A	432,250	10/1/22 - 9/30/23	(18,852)				18,852				-		
School Breakfast Program	10.553	241NJ304N1099	N/A	88,648	10/1/23 - 9/30/24					69,829	(88,648)			(18,819)		
School Breakfast Program	10.553	231NJ304N1099	N/A	92,015	10/1/22 - 9/30/23	(5,657)				5,657				-		
P-EBT Administrative Costs	10.649	231NJ304S9009	N/A	653	10/1/22 - 9/30/23					653	(653)					
Local Food for Schools	10.185	AM22LFS000C015	N/A	1,759	10/1/22 - 9/30/23					1,759	(1,759)					
Supply Chain Assistance	10.555	231NJ344N8903	N/A	69,588	10/1/22 - 9/30/24					69,588	(69,588)			-		
Total Enterprise Fund						(24,509)	-	-	-	562,229	(619,878)	-	-	(82,158)	-	-
Total Federal Awards						\$ (2,194,294)	\$ 3,322	\$ -	\$ -	\$ 3,213,845	\$ (2,550,970)	\$ -	\$ -	\$ (1,530,606)	\$ 2,509	\$ -

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

DELRAN TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2024

State Grantor / Program Title	Grant or State Project Number	Program Award Amount	Grant Period	June 30, 2023			Carryover (Walkover) Amount	Adjustment	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	June 30, 2024		
				Accounts Receivable	Deferred Revenue	Due to Grantor						Accounts Receivable	Deferred Revenue	Due to Grantor
State Department of Education														
General Fund:														
Equalization Aid	24-495-034-5120-078	\$ 23,226,112	7/1/23 - 6/30/24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,981,917	\$ (23,226,112)	\$ -	\$ (2,244,195)	\$ -	\$ -
Equalization Aid	23-495-034-5120-078	19,607,509	7/1/22 - 6/30/23	(1,842,971)					1,842,971			-		
Transportation Aid	24-495-034-5120-014	516,610	7/1/23 - 6/30/24						466,693	(516,610)		(49,917)		
Transportation Aid	23-495-034-5120-014	516,610	7/1/22 - 6/30/23	(48,558)					48,558			-		
Special Education Categorical Aid	24-495-034-5120-089	2,561,908	7/1/23 - 6/30/24						2,314,367	(2,561,908)		(247,541)		
Special Education Categorical Aid	23-495-034-5120-089	2,561,908	7/1/22 - 6/30/23	(240,802)					240,802			-		
Security Aid	24-495-034-5120-084	418,930	7/1/23 - 6/30/24						378,451	(418,930)		(40,479)		
Security Aid	23-495-034-5120-084	418,930	7/1/22 - 6/30/23	(39,376)					39,376			-		
Extraordinary Aid	24-495-034-5120-044	311,647	7/1/23 - 6/30/24	-	-	-	-	-		(311,647)	-	(311,647)	-	-
Extraordinary Aid	23-495-034-5120-044	536,806	7/1/22 - 6/30/23	(536,806)					536,806			-		
Additional Nonpublic Transportation Aid	24-495-034-5120-014	47,775	7/1/23 - 6/30/24							(47,775)		(47,775)		
Additional Nonpublic Transportation Aid	23-495-034-5120-014	35,256	7/1/22 - 6/30/23	(35,256)					35,256			-		
On Behalf TPAF - Pension	24-495-034-5094-002	8,205,399	7/1/23 - 6/30/24						8,205,399	(8,205,399)		-		
On Behalf TPAF - Post Retirement Medical	24-495-034-5094-001	2,233,209	7/1/23 - 6/30/24						2,233,209	(2,233,209)		-		
On Behalf TPAF - Pension LTDI	24-495-034-5094-004	3,292	7/1/23 - 6/30/24						3,292	(3,292)		-		
Reimbursed TPAF Social Security Contributions	24-495-034-5094-003	1,792,547	7/1/23 - 6/30/24						1,703,277	(1,792,547)		(89,270)		
Total General Fund				(2,743,769)	-	-	-	-	39,030,374	(39,317,429)	-	(3,030,824)	-	-
Special Revenue Fund														
N.J. Nonpublic Aid:														
Textbook Aid	24-100-034-5120-064	19,309	7/1/23 - 6/30/24						19,309	(13,405)				5,904
Nursing Aid	24-100-034-5120-070	40,680	7/1/23 - 6/30/24						40,680	(40,680)				
Technology Initiative	24-100-034-5120-373	16,366	7/1/23 - 6/30/24						16,366	(14,891)				1,475
Technology Initiative	23-100-034-5120-373	12,712	7/1/22 - 6/30/23					14			14			
Security Aid	24-100-034-5120-509	69,495	7/1/23 - 6/30/24						69,495	(58,399)				11,096
Auxiliary Services:														
Compensatory Education	24-100-034-5120-067	3,237	7/1/23 - 6/30/24						3,237	(2,517)				720
Compensatory Education	23-100-034-5120-067	5,930	7/1/22 - 6/30/23			4,250					4,250			
English as a Second Language	24-100-034-5120-067	549	7/1/23 - 6/30/24						549	(458)				91
Home Instruction	23-100-034-5120-067	4,334	7/1/22 - 6/30/23	(4,334)					4,334					
Handicapped Services:														
Examination & Classification	24-100-034-5120-066	24,088	7/1/23 - 6/30/24						24,088	(22,382)				1,706
Examination & Classification	23-100-034-5120-066	26,175	7/1/22 - 6/30/23				4,359				4,359			
Corrective Speech	24-100-034-5120-066	3,999	7/1/23 - 6/30/24						3,999	(3,720)				279
Corrective Speech	23-100-034-5120-066	2,790	7/1/22 - 6/30/23			465					465			
Supplemental Instruction	24-100-034-5120-066	9,086	7/1/23 - 6/30/24						9,086					9,086
Supplemental Instruction	23-100-034-5120-066	23,954	7/1/22 - 6/30/23			23,542					23,542			
Total Special Revenue Fund				(4,334)	-	32,630	-	-	191,143	(156,452)	32,630	-	-	30,357
Debt Service Fund														
Debt Service Aid Type II	24-495-034-5120-017	624,832	7/1/23 - 6/30/24	-	-	-	-	-	624,832	(624,832)	-	-	-	-
State Department of Agriculture														
Enterprise Fund:														
State School Breakfast Program	24-100-010-3350-023	2,228	7/1/23 - 6/30/24						1,694	(2,228)		(534)		
State School Breakfast Program	23-100-010-3350-023	2,641	7/1/22 - 6/30/23	(168)					168			-		
State School Lunch Program	24-100-010-3350-023	21,750	7/1/23 - 6/30/24						17,830	(21,750)		(3,920)		
State School Lunch Program	23-100-010-3350-023	22,144	7/1/22 - 6/30/23	(944)					944					
Total Enterprise Fund				(1,112)	-	-	-	-	20,636	(23,978)	-	(4,454)	-	-
Total State Financial Assistance				\$ (2,749,215)	\$ -	\$ 32,630	\$ -	\$ -	\$ 39,866,985	(40,122,691)	\$ 32,630	\$ (3,035,278)	\$ -	\$ 30,357
Less: State Financial Expenditures Not Subject to Major Program Determination														
On-Behalf (Non-Budgeted):														
TPAF Contribution - Pension	24-495-034-5094-002	8,205,399	7/1/23 - 6/30/24							(8,205,399)				
TPAF Contribution - Post-Retirement Medical	24-495-034-5094-001	2,233,209	7/1/23 - 6/30/24							(2,233,209)				
TPAF Contribution - Pension LTDI	24-495-034-5094-004	3,292	7/1/23 - 6/30/24							(3,292)				
Total State Financial Expenditures Subject to Major Program Determination										\$ (29,680,791)				

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

Delran Township School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2024

1. GENERAL

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

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 Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The school district has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when the 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 of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more June state aid payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$410,425) in the general fund and \$790,509 in the special revenue fund. See Exhibit C-3, Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance expenditures are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 81,099	\$ 38,907,004	\$ 38,988,103
Special Revenue	2,640,502	156,452	2,796,954
Debt Service	-	624,832	624,832
Food Service	619,878	23,978	643,856
	<u>\$ 3,341,479</u>	<u>\$ 39,712,266</u>	<u>\$ 43,053,745</u>

**Delran Township School District
Notes to the Schedules of Expenditures
of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2024**

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.

5. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distribution, respectively. TPAF Pension Contributions represents the amount paid by the State on behalf of the School District for the year ended June 30, 2024. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2024.

6. MAJOR PROGRAMS

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

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

Section I --Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weaknesses identified? yes X no

2) Significant deficiencies identified? yes X none reported

Noncompliance material to basic financial statements noted? X yes no

Federal Awards

Internal Control over major programs:

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

2) Significant deficiencies identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? yes X no

Identification of major programs:

<u>AL Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027A</u>	<u>H027A230100</u>	<u>I.D.E.A. Part B Basic</u>
<u>84.713A</u>	<u>H173A230114</u>	<u>I.D.E.A. Preschool</u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>

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

Auditee qualified as low-risk auditee? X yes no

State Awards Section

Identification of major programs:

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

Section 2 -- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Finding #2024-001

Criteria or specific requirement:

NJAC 6A:23A-16.2(b) requires each district to develop a system of accounting and reporting that makes it possible to present fairly, and with full disclosure, all funds and activities in conformity with Generally Accepted Accounting Principles (GAAP) and demonstrate compliance with finance-related and contractual provisions.

Condition:

In the General Fund, several revenues and expenditures were not recorded in the financial records.

Context:

Audit adjustments were required to properly state the financial records.

Effect:

By not recording all revenues and expenditures, the District risks material misstatements in their financial records.

Cause:

Oversight and personnel turnover.

Recommendation:

That all revenues and expenditures be properly recorded in the financial records.

View of Responsible Officials and Planned Corrective Action:

The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

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

**Section 3 -- Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FEDERAL AWARDS:

No findings and/or questioned costs identified.

STATE AWARDS:

No findings and/or questioned costs identified.

**DELRAN TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT**

This section identifies the status of prior year findings related to the financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

There were no prior year audit findings.

FEDERAL AWARDS

There were no prior year audit findings.

STATE AWARDS

There were no prior year audit findings.