

TOWNSHIP OF DEPTFORD
SCHOOL DISTRICT
DEPTFORD, NEW JERSEY



ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2024

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INTRODUCTORY SECTION



DEPTFORD TOWNSHIP BOARD OF EDUCATION

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Heather Jackson
Assistant Superintendent
Chief Academic Officer

Kevin M. Kanauss
Superintendent

Ron Latham, Jr.
Business Administrator
Board Secretary

Honorable President and
Members of the Board of Education
Deptford Township School District
Gloucester County, New Jersey

Dear Board Members:

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

The Annual Comprehensive Financial Report is presented in four sections as follows:

- The Introductory Section contains a table of contents, Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the School District.
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the School District, generally presented on a multi-year basis.
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of the Uniform Guidance and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Deptford Township School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board Statement No. 14. All funds of the District are included in this report. The Deptford Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational as well as special education for students with disabilities.

2. ECONOMIC CONDITION AND OUTLOOK: The Deptford area is served by major transportation routes including 1-295, NJ Turnpike, Route 42, and Route 55. The high level of developer interest in Deptford is due in large measure to its access to these highways. The Deptford Mall and shopping centers, restaurants and theaters surrounding the Mall are a focal point of attraction and serve a wide area of South Jersey and even South Philadelphia. Since a November 1987 study, conducted by the Delaware Valley Planning Commission, projected a population increase, Deptford has seen several housing developments constructed as well as several large businesses building in the area. It is expected that expansion will continue, and the area will continue to prosper.

3. MAJOR INITIATIVES: Students in the Deptford Township School District receive a comprehensive educational program. The District's 2023-2024 major initiatives are listed below:

District:

- Our major focus is strengthening Tier I instruction, with professional development and instructional resources playing a critical role in this effort. One of our key district initiatives has been the Renaissance Learning platform, which includes STAR, Accelerated Reader, myON, Lalilo, and Freckle. These tools provide personalized learning paths, data-driven insights, engaging resources, and essential support for MTSS.
- We are also continuing the implementation of the Canvas Learning Management System for all courses and grade levels, K-12. This ensures a cohesive and accessible digital learning environment for both students and teachers. In addition, our district maintains a 1:1 Chromebook initiative for students in grades 4-12, while ensuring that devices remain available in classrooms for Kindergarten through Third Grade students. To streamline and optimize technology use, we aim to continually analyze technology resources to prevent overload.
- Current instructional programs include IXL, No Red Ink, Naviance, Gizmos, EdPuzzle, and Nearpod. These programs support various aspects of curriculum delivery, engagement, and personalized learning. Teachers also receive ongoing support and guidance in Social Emotional Learning (SEL) strategies, ensuring they are equipped to address the holistic needs of students. This focus was reinforced through an additional professional development day dedicated to staff wellness and strategies for responding to students' needs.
- Our overarching goal remains meeting the needs of the "whole" child by fostering both academic growth and social-emotional well-being.

Elementary:

- In addition to strengthening Tier I instruction, our focus has been on implementing a plan to ensure students are reading by grade 3. We implemented the required use of Foundations in Grades K-2, providing professional development and resources for teachers. Our goal is to use this systematic approach to teaching students to read.
- We continued the implementation of a Kindergarten through Sixth Grade inquiry-based Science program through the NJ Model Science Curriculum. Additionally, we introduced virtual science and laboratory activities (Mystery Science) for students to complete in learning centers or independently at home.
- Our curriculum teams continue to review resources through committees to ensure we are successfully implementing the NJSLS. We continue to use core English Language Arts and mathematics programs in Grades K-5 while implementing supplemental resources such as novel studies.
- We also continue the use of the LinkIt Benchmark Assessment and data warehousing program in Grades K-6. Furthermore, we utilize the LinkIt Intervention Manager to implement the MTSS process. Grade-level, department, and individualized student reports are provided to teachers and instructional supervisors to drive instruction and meet the academic and individual learning needs of the students.
- Full-Day Kindergarten, focused on the Kindergarten Guidelines, continues to provide a solid foundation for our students.
- The implementation of ongoing diagnostic reading assessments (Diagnostic Reading Assessment, Leveled Literacy Intervention, and Benchmark Assessment System) in Grades K-5 helps assess, guide, and support students in reading at or above their grade level. The district also incorporates tiered interventions through Wilson Language for Grades 2-12 and the Foundations program for Grades K-2 to support classroom and intervention teachers.
- The continued implementation of a research-based, comprehensive Pre-K program endorsed by the New Jersey Office of Early Childhood Education is based on our use of the Tools of the Mind (NJDOE-approved) curriculum. The Early Screening Inventory (ESI), third edition, is used to assess Pre-K students' possible need for special education

Middle School:

- The implementation of comprehensive core English Language Arts (ELA) and mathematics programs in grades 6-8 was revised to align with the New Jersey Student Learning Standards (NJSLS) and the New Jersey Student Learning Assessments (NJSLA). Additionally, an inquiry-based science program in grades 6-8 continued, incorporating virtual mathematics and science manipulatives and laboratory activities (Gizmos) for students to engage with in learning centers or independently at home.
- Students utilized IXL to complete leveled practice for ELA and mathematics. Diagnostic assessments were administered at the beginning, middle, and end of the year to identify individual student levels in ELA and mathematics. Based on these diagnostics, learning and guided practice activities were tailored for students to complete at their own pace using IXL, with guidance provided at the teacher's discretion.
- The implementation of a research-based social studies program in grades 6-8 was a priority.
- Advanced courses across core academic subjects were offered to prepare students for advanced and academy courses at the high school level. Computer coding and skills

- courses were implemented, enhancing students' technology proficiency.
- Students completed their Naviance personal, learning, and future planning profiles. School counselors analyzed the data to develop targeted counseling plans, ensuring personalized support for each student.
- The LinkIt Benchmark Assessment and data warehousing program in grades 6-8 were integral parts of the instructional approach. Teachers and instructional supervisors annually expanded the range of curricular-based assessments to establish a comprehensive profile for each student. These profiles were used to make informed decisions about individual student instruction. Grade-level, department, and individualized student reports were provided to teachers and instructional supervisors to guide instruction and address academic and learning needs effectively.

High School:

- The implementation of comprehensive core English Language Arts and mathematics programs in grades 9 through 12 was revised to incorporate the New Jersey Student Learning Standards (NJSLS) and the New Jersey Student Learning Assessments (NJSLA). Students and teachers completed many novel studies, informational text sources, and utilized online/digital resources through Study.com and Membean. Students also used the Big Ideas online learning platform and IXL for supplementary mathematics resources.
- Discovery-based math and science programs in grades 9-12 continue to be implemented, along with virtual mathematics and science manipulatives and laboratory activities (Gizmos) for students to complete in learning centers or independently at home.
- The continuation of a research-based social studies program in grades 9-12 was a priority.
- The implementation of integrative performance assessments in the world language department provides a holistic approach to evaluating student proficiency. By focusing on real-world applications of language skills, these assessments not only measure a student's ability to communicate effectively but also promote critical thinking, collaboration, and cultural awareness.
- The LinkIt Benchmark Assessment and data warehousing program in grades 9-12 were consistently used. Each year, teachers and instructional supervisors added more curricular-based assessments to establish a comprehensive profile for each student. These profiles were shared and used to make informed decisions about instruction for students at the individual level.
- Core modeling and Academy courses were expanded to include offerings in biomedical sciences, engineering, computer science, business, music and choir, art, and carpentry.
- Students and teachers also joined the SkillsUSA organization as part of the Allied Health, Carpentry, and Engineering academies.
- The high school maintained its collegiate high school and partnership with Rowan College of South Jersey, offering college-level courses to students both at the high school and on college campuses.
- Students completed their Naviance personal, learning, and future planning profiles. School counselors analyzed the data to develop targeted counseling plans.

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

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control, 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. 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 included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as assignments 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 Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Financial Statement", Note 1.

7. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in New Jersey statute 18A:20-37. 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 of Education is a member of the Gloucester/Cumberland/Salem School Districts Joint Insurance Fund (GCSSDJIF). This Fund was formed under the provisions of NJSA 18A: 18B 1-10.

The GCSSDJIF provides members with a long-term alternative to the conventional insurance marketplace and is a means of stabilizing the otherwise cyclical nature of insurance expenditures. The fund provides the following coverage:

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

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

9. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The certified public accounting firm of Bowman & Company LLP was selected by the Board of Education. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Uniform Guidance and state Treasury Circular Letter 15-08 OMB. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,



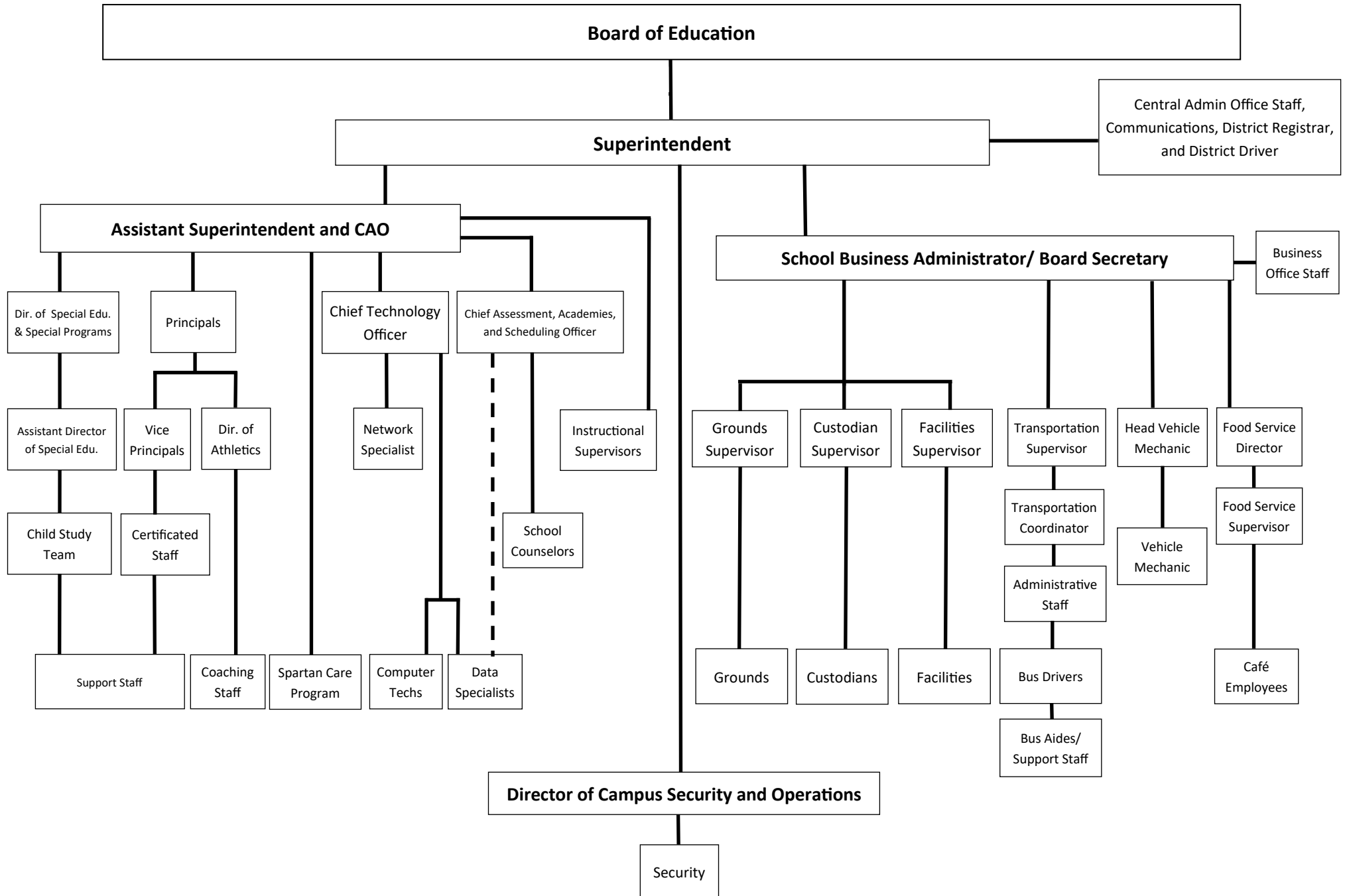
Kevin M. Kanauss
Superintendent



Ronald Latham, Jr.
School Business Administrator/
Board Secretary

Deptford Township Board of Education Organizational Chart

2023—2024



DEPTFORD TOWNSHIP BOARD OF EDUCATION

DEPTFORD TOWNSHIP, NEW JERSEY

ROSTER OF OFFICIALS

June 30, 2024

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Joe McKenna, President	2026
James McDevitt, III, Vice President	2024
Milton Corsey	2026
Mark Getsinger	2024
Carol Gioia	2025
Ed Kalinowski	2025
Dan McCurdy	2026
Laura Newcomb	2024
Dr. Frank Scambia	2025

Other Officials

Mr. Kevin Kanauss, Superintendent

Mrs. Heath Jackson, Chief Academic Officer/Assistant Superintendent

Mr. Ronald Latham, Jr., School Business Administrator/Board Secretary

DEPTFORD TOWNSHIP BOARD OF EDUCATION

Consultants and Advisors

ARCHITECT

Garrison Architects
713 Creek Road
Bellmawr, NJ 08031

AUDIT FIRM

Bowman & Company, LLP
601 White Horse Road
Voorhees, NJ 08043

ATTORNEYS

Albert Marmero
Grace, Marmero & Associates, LLP
44 Euclid Street
Woodbury, NJ 08096

OFFICIAL DEPOSITORY

Columbia Bank
1460 Clements Bridge Road
Deptford, NJ 08096

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Deptford School District
County of Gloucester

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Deptford School District, in the County of Gloucester, 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 School District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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 School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Deptford School District's basic financial statements. The combining statements and related major fund supporting statements and schedules, 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 expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining 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 our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2025, on our consideration of the Township of Deptford School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Township of Deptford School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Deptford School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael P. Cragin, Jr.
Certified Public Accountant
Public School Accountant No. 20CS00255100

Voorhees, New Jersey
January 31, 2025

REQUIRED SUPPLEMENTARY INFORMATION
PART I

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited)

The management's discussion and analysis of the Township of Deptford School District (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024 and 2023. The intent of the discussion and analysis is to look at the School District's financial performance and review the notes to the basic financial statements to enhance the understanding of the School District's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

FINANCIAL HIGHLIGHTS

Financial Highlights for fiscal year 2024:

- The assets and deferred outflows of resources of the Township of Deptford School District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$23,103,098 (net position).
- The School District's total net position increased by \$3,639,772.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$23,166,509, an increase of \$695,342 in comparison with the prior year. This increase was primarily the result of the an increase in preschool funding.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,173,747, which is an increase of 153,348 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the School District's budget for the year.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited) (Cont'd)

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

Government-Wide Statements

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

The two government-wide statements report the School District's net position and how they have changed. Net position is the difference between the School District's assets and deferred outflows of resources and liabilities and deferred inflows of resources and is one way to measure the School District's financial health or position. An increase or decrease in the School District's net position is an indicator of whether its financial position is improving or deteriorating, respectively. To assess the overall health or position of the School District, you need to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the School District's activities are divided in two categories:

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The School District charges fees to cover the costs of certain services such as food services and child care services.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds, focusing on the significant funds, not the School District as a whole. Funds are used by the School District to keep track of specific sources of funding and spending on particular programs.

The School District has two kinds of funds:

- *Governmental funds* – The School District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as food services and child care services.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 provides a summary of the School District's net position for fiscal years 2024 and 2023.

TABLE 1
Net Position

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>	<u>% Change</u>
Assets:				
Current and Other Assets	\$ 27,815,440	\$ 28,264,783	\$ (449,343)	-1.59%
Capital Assets	<u>58,769,928</u>	<u>58,720,396</u>	<u>49,532</u>	<u>0.08%</u>
Total Assets	<u>86,585,368</u>	<u>86,985,179</u>	<u>(399,811)</u>	<u>-0.46%</u>
Deferred Outflows of Resources:				
Related to Pensions	<u>2,482,462</u>	<u>2,658,814</u>	<u>(176,352)</u>	<u>-6.63%</u>
Liabilities:				
Long-Term Liabilities	57,901,719	58,030,919	(129,200)	-0.22%
Other Liabilities	<u>5,500,613</u>	<u>6,775,286</u>	<u>(1,274,673)</u>	<u>-18.81%</u>
Total Liabilities	<u>63,402,332</u>	<u>64,806,205</u>	<u>(1,403,873)</u>	<u>-2.17%</u>
Deferred Inflows of Resources:				
Related to Pensions	<u>2,548,002</u>	<u>5,374,461</u>	<u>(2,826,459)</u>	<u>-52.59%</u>
Net Position:				
Net Investment in Capital Assets	22,274,227	23,669,729	(1,395,502)	-5.90%
Restricted	15,809,961	14,736,996	1,072,965	7.28%
Unrestricted (Deficit)	<u>(14,966,692)</u>	<u>(18,943,398)</u>	<u>3,976,706</u>	<u>-20.99%</u>
Total Net Position (Deficit)	<u>\$ 23,117,496</u>	<u>\$ 19,463,327</u>	<u>\$ 3,654,169</u>	<u>18.77%</u>

Table 2 provides an illustration of the impact of the School District's Net Position for the effect of pension-related items.

TABLE 2
Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 2,482,462	\$ 2,658,814	\$ (176,352)	-6.63%
Less: Net Pension Liability	(17,829,343)	(18,024,162)	194,819	-1.08%
Less: Deferred Inflows Related to Pensions	<u>(2,548,002)</u>	<u>(5,374,461)</u>	<u>2,826,459</u>	<u>-52.59%</u>
	<u>\$ (17,894,883)</u>	<u>\$ (20,739,809)</u>	<u>\$ 2,844,926</u>	<u>-13.72%</u>

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)

Table 3 reflects changes in net position for fiscal years 2024 and 2023.

TABLE 3
Change in Net Position

Revenues:	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 1,029,344	\$ 782,740	\$ 246,604	31.51%
Operating Grants and Contributions	16,195,885	14,955,731	1,240,154	8.29%
Capital Grants and Contributions	383,650	1,464,947	(1,081,297)	-73.81%
General Revenues:				
Property Taxes	47,945,104	47,028,959	916,145	1.95%
Grants and Contributions	31,068,563	28,320,226	2,748,337	9.70%
Other	1,385,887	746,441	639,446	85.67%
Total Revenues	<u>98,008,433</u>	<u>93,299,044</u>	<u>4,709,389</u>	<u>5.05%</u>
Expenses:				
Instruction:				
Regular	31,695,643	28,662,297	3,033,346	10.58%
Special Education	4,576,509	4,296,280	280,229	6.52%
Other Instruction	1,903,209	2,011,748	(108,539)	-5.40%
Student Services:				
Tuition	7,211,842	6,751,077	460,765	6.83%
Student and Instruction Related	11,433,345	9,918,428	1,514,917	15.27%
Other Administrative Services	1,779,505	2,026,187	(246,682)	-12.17%
School Administrative Services	2,268,048	2,937,160	(669,112)	-22.78%
Plant Operations and Maintenance	6,992,206	6,395,797	596,409	9.33%
Pupil Transportation	5,699,574	4,083,407	1,616,167	39.58%
Personal Services - Employee Benefits	20,013,326	19,458,854	554,472	2.85%
Transfer to Charter School	245,976	244,295	1,681	0.69%
Interest Expense	867,805	889,754	(21,949)	-2.47%
Total Expenses, Governmental Activities	<u>94,686,988</u>	<u>87,675,284</u>	<u>7,011,704</u>	<u>8.00%</u>
Change in Governmental Activities Net Position	<u>\$ 3,321,445</u>	<u>\$ 5,623,760</u>	<u>\$ (2,302,315)</u>	<u>-40.94%</u>
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>	<u>% Change</u>
Business-Type Activities Net Income:				
Food Service	\$ 2,057,163	\$ 2,050,005	\$ 7,158	0.35%
Child Care Program	1,246,105	1,058,083	188,022	17.77%
Total Revenues	<u>3,303,268</u>	<u>3,108,088</u>	<u>195,180</u>	<u>6.28%</u>
Business-Type Activities Expense				
Food Service	1,819,510	1,680,757	138,753	8.26%
Child Care Program	1,151,032	917,731	233,301	25.42%
Total Expenses	<u>2,970,542</u>	<u>2,598,488</u>	<u>372,054</u>	<u>14.32%</u>
Change in Business-Type Activities Net Position	<u>\$ 332,726</u>	<u>\$ 509,600</u>	<u>\$ (176,874)</u>	<u>-34.71%</u>

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)

Governmental Activities

In 2023-2024, program revenues were \$17,608,879 or 17.45% of total revenues.

In 2022-2023, program revenues were \$22,385,816 or 23.18% of total revenues.

The \$4,776,937 decrease in program revenues from 2022-2023 to 2023-2024 was mainly related to ESSER grants being spent down.

In 2023-2024, General Revenues - Property Taxes of \$47,945,104 made up 49.08%, and Federal and State Aid Not Restricted of \$31,068,563 made up 31.81% of total revenues.

In 2022-2023, General Revenues - Property Taxes of \$47,028,959 made up 51.20%, and Federal and State Aid Not Restricted of \$28,320,226 made up 30.83% of total revenues.

In 2023-2024, the School District's Governmental Activities expenditures increased by \$7,011,704 or 8.00% from 2022-2023.

Business-Type Activities

In 2023-2024 Business-Type Activities program revenues were \$3,245,317 or 3.32% of total revenues. In 2022-2023 Business-Type Activities program revenues were \$3,087,385 or 3.36% of total revenues.

Charges for Services for Business-Type Activities were \$1,731,646 in 2023-2024 compared to \$1,463,340 in 2022-2023. This increase is the result of the Childcare fund receiving additional payments for services.

Operating Grants and Contributions for Business-Type Activities were \$1,513,671 in 2023-2024 compared to \$1,624,045 in 2022-2023, a 6.80% decrease primarily due to COVID funded grants ending.

Expenses for Business-Type Activities were \$2,984,941 in 2023-2024 compared to \$2,598,487 in 2022-2023, a 14.87% increase.

General Fund Budgeting Highlights

The final budgetary basis revenue estimate was \$77,724,246, which was equal to the original budget.

The 2023-2024 General Fund Tax Levy was \$46,593,422, an increase of \$913,597 or 2.00% from the 2022-2023 General Fund Tax Levy was \$45,679,825.

During fiscal year 2024, the School District budgeted \$46,593,422 for property taxes (local tax levy) and \$30,656,522 for state aid revenues.

The School District also received \$2,493,952 and \$14,646,146 reimbursed T.P.A.F. Social Security Aid and On-behalf T.P.A.F. Medical and Pension Contributions, respectively. The Township of Deptford School District's expenditures also include the reimbursed TPAF Social Security Aid and On-behalf T.P.A.F. Pension and Medical Contributions of \$2,493,952 and \$14,646,146 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

The final budgetary basis expenditure appropriation estimate was \$84,209,400, which was equal to the original budget.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited) (Cont'd)

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)

Financial Analysis of the Government's Funds

Governmental Funds - As of the end of the current fiscal year, the School District's governmental funds reported combining ending fund balances of \$20,197,241, an increase of \$1,781,463 in comparison with the prior year.

Of the combined ending fund balances of \$20,197,241, \$2,173,747 constitutes unassigned fund balance deficits. The remainder of fund balance of \$18,023,494 is restricted or assigned for various purposes.

Proprietary Funds - As of the end of the current fiscal year, the School District's proprietary fund had unrestricted net position of \$1,189,648.

CAPITAL ASSETS

The Township of Deptford School District's investment in capital assets for its governmental and business-type activities as of June 30, 2024 amounts to \$57,976,706 (net of accumulated depreciation and amortization). This investment in capital assets includes land, land improvements, buildings and improvements, equipment and subscription assets. There was a net decrease in the Township of Deptford School District's investment in capital assets for the current fiscal year of 5.96%. Table 4 reflects the capital assets.

TABLE 4
Capital Assets

Net of Depreciation and Amortization:	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>Change</u>	<u>% Change</u>
Land	\$ 633,053	\$ 633,053		0.00%
Construction in Progress	543,945	1,007,088	\$ (463,143.00)	-45.99%
Site Improvements	2,626,212	2,500,416	125,796	5.03%
Building and Improvements	48,564,059	49,118,314	(554,255)	-1.13%
Equipment	4,767,893	5,186,271	(418,378)	-8.07%
Subscription Assets	841,544	31,529	810,015	2569.09%
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Capital Assets	<u>\$ 57,976,706</u>	<u>\$ 58,476,671</u>	<u>\$ (499,965)</u>	<u>-0.85%</u>

Depreciation and amortization expense was \$4,706,134 for fiscal year ended 2024 and \$4,357,415 for fiscal year ended 2023.

DEBT ADMINISTRATION

Long-term Debt - At the end of the current fiscal year, the Township of Deptford School District had total bonded debt outstanding of \$36,035,000. The entire Township of Deptford School District's bonded debt is governmental as opposed to business-type. The 2020 school bonds will mature on July 15, 2050.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2024
(Unaudited) (Cont'd)

FACTORS ON THE DISTRICT'S FUTURE

For the 2023-2024 school year, the Township of Deptford School District was able to sustain its budget through the township tax levy, federal aid, state aid and miscellaneous revenue sources. Approximately 45.17% of total revenue is from local tax levy and 52.52% of the Township of Deptford School District's revenue is from federal and state aid (restricted and not restricted).

In conclusion, the Township of Deptford Board of Education and Administration have committed themselves to financial excellence for many years. Additionally, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District will continue with sound fiscal management to meet the challenge of the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Township of Deptford School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Todd Reitzel, Business Administrator/Board Secretary at the Township of Deptford School District, 890 Bankbridge Road, Suite 100, Sewell, New Jersey 08080.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Statement of Net Position

June 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 20,428,723.38	\$ 1,730,878.63	\$ 22,159,602.01
Receivables, net	3,058,489.93	71,385.68	3,129,875.61
Internal Balances	597,752.53	(597,752.53)	
Inventory		53,452.23	53,452.23
Restricted Assets:			
Restricted Cash and Cash Equivalents	2,472,511.41		2,472,511.41
Capital Assets, net	58,309,519.39	460,408.68	58,769,928.07
Total Assets	84,866,996.64	1,718,372.69	86,585,369.33
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pension	2,482,462.00	-	2,482,462.00
LIABILITIES:			
Accounts Payable			
Related to Pensions	1,645,181.00		1,645,181.00
Other	213,023.21		213,023.21
Due to Grantor		20,357.92	20,357.92
Payroll Deductions Payable	372,702.23		372,702.23
Accrued Salaries	1,850,844.20		1,850,844.20
Accrued Expenses	87,713.53		87,713.53
Retainage Payable	54,849.29		54,849.29
Unemployment Claims Payable	52,499.15		52,499.15
Unearned Revenue	759,336.75	33,640.89	792,977.64
Accrued Interest Payable	410,464.81		410,464.81
Noncurrent Liabilities:			
Due within One Year	1,773,397.86	1,431.75	1,774,829.61
Due beyond One Year	56,114,003.95	12,885.71	56,126,889.65
Total Liabilities	63,334,015.98	68,316.26	63,402,332.24
DEFERRED INFLOW OF RESOURCES:			
Related to Pension	2,548,002.00	-	2,548,002.00
NET POSITION:			
Net Investment in Capital Assets	21,813,818.68	460,408.68	22,274,227.36
Restricted for:			
Debt Service	0.20		0.20
Capital Projects	6,105,050.86		6,105,050.86
Other Purposes	9,704,910.36		9,704,910.36
Unrestricted (Deficit)	(16,156,339.44)	1,189,647.75	(14,966,691.69)
Total Net Position	\$ 21,467,440.66	\$ 1,650,056.43	\$ 23,117,497.09

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

TOWNSHIP OF DEPTFORD 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		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 31,695,643.08	\$ 327,554.43	\$ 3,230,956.47	\$ 316,254.76	\$ (27,820,877.43)		\$ (27,820,877.43)
Special Education Instruction	4,576,509.22	47,295.33		45,663.78	(4,483,550.11)		(4,483,550.11)
Other Special Instruction	739,643.22	7,643.74		7,380.06	(724,619.42)		(724,619.42)
Other Instruction	1,163,565.72			14,351.27	(1,149,214.45)		(1,149,214.45)
Support Services and Undistributed Costs:							
Tuition	7,211,842.43		1,308,009.00		(5,903,833.43)		(5,903,833.43)
Student and Instruction Related Services	11,433,345.09	646,850.69	2,642,986.38		(8,143,508.02)		(8,143,508.02)
Other Administrative Services	1,779,504.77				(1,779,504.77)		(1,779,504.77)
School Administrative Services	2,268,047.70				(2,268,047.70)		(2,268,047.70)
Plant Operations and Maintenance	6,992,206.27				(6,992,206.27)		(6,992,206.27)
Pupil Transportation	5,699,574.41				(5,699,574.41)		(5,699,574.41)
Personal Services - Employee Benefits	20,013,326.08		9,013,933.15		(10,999,392.93)		(10,999,392.93)
Transfer to Charter School	245,976.00				(245,976.00)		(245,976.00)
Interest Expense	867,804.75				(867,804.75)		(867,804.75)
Total Governmental Activities	94,686,988.74	1,029,344.19	16,195,885.00	383,649.86	(77,078,109.69)	\$ -	(77,078,109.69)
Business-Type Activities:							
Food Service	1,819,509.95	735,294.01	1,263,917.46			179,701.52	179,701.52
Childcare Program	1,151,032.45	996,352.36	249,753.05			95,072.96	95,072.96
Total Business-Type Activities	2,970,542.40	1,731,646.37	1,513,670.51	-	-	274,774.48	274,774.48
Total Government	\$ 97,657,531.14	\$ 2,760,990.56	\$ 17,709,555.51	\$ 383,649.86	(77,078,109.69)	274,774.48	(76,803,335.21)

(Continued)

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

<u>Functions / Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					\$ 46,593,422.00		\$ 46,593,422.00
Taxes Levied for Debt Service					1,351,682.00		1,351,682.00
Federal and State Aid Not Restricted					31,068,563.08		31,068,563.08
Interest and Investment Earnings					762,569.92	\$ 57,951.76	820,521.68
Unrestricted Miscellaneous Income					500,069.72		500,069.72
Restricted Miscellaneous Income					123,247.07		123,247.07
Total General Revenues					80,399,553.79	57,951.76	80,457,505.55
Change in Net Position					3,321,444.10	332,726.24	3,654,170.34
Net Position -- July 1					18,145,996.56	1,317,330.19	19,463,326.75
Net Position -- June 30					\$ 21,467,440.66	\$ 1,650,056.43	\$ 23,117,497.09

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2024

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 20,617,554.06	\$ 773,151.48	\$ 1,510,529.05	\$ 0.20	\$ 22,901,234.79
Accounts Receivable					
State	1,283,542.99				1,283,542.99
Federal	20,321.42	1,503,035.76			1,523,357.18
Other	232,288.68	5,887.39			238,176.07
Other Accounts Receivable	13,413.69				13,413.69
Interfunds Receivable	597,752.53				597,752.53
Total Assets	\$ 22,764,873.37	\$ 2,282,074.63	\$ 1,510,529.05	\$ 0.20	\$ 26,557,477.25
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Payroll Deductions Payable	\$ 372,702.23				\$ 372,702.23
Accounts Payable	203,873.21		\$ 9,150.00		213,023.21
Accrued Salaries	1,850,844.20				1,850,844.20
Accrued Expenses	87,713.53				87,713.53
Unemployment Claims Payable	52,499.15				52,499.15
Retainage Payable			54,849.29		54,849.29
Unearned Revenue		\$ 759,336.75			759,336.75
Total Liabilities	2,567,632.32	759,336.75	63,999.29	\$ -	3,390,968.36
Fund Balances:					
Restricted:					
Capital Reserve Account	5,852,794.00				5,852,794.00
Excess Surplus - Current year	2,502,481.97				2,502,481.97
Excess Surplus - Designated for Subsequent Year's Expenditures	5,866,184.87				5,866,184.87
Capital Projects			1,446,529.76		1,446,529.76
Unemployment Compensation	771,593.62				771,593.62
Student Activities		451,553.53			451,553.53
Scholarship		82,269.13			82,269.13
Chromebooks		30,827.24			30,827.24
Debt Service				0.20	0.20
Assigned:					
Other Purposes	2,622,304.58				2,622,304.58
Designated for Subsequent Year's Expenditures	408,135.13				408,135.13
Unassigned	2,173,746.88	958,087.98			3,131,834.86
Total Fund Balances	20,197,241.05	1,522,737.88	1,446,529.76	0.20	23,166,508.89
Total Liabilities and Fund Balances	\$ 22,764,873.37	\$ 2,282,074.63	\$ 1,510,529.05	\$ 0.20	\$ 26,557,477.25

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2024

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

Total Governmental Fund Fund Balance (Brought Forward)	\$ 23,166,508.89
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$116,794,250.47, and the accumulated depreciation and amortization is \$58,484,731.08.	58,309,519.39
Long-term liabilities, including bonds, financed purchases, lease payables and SBITA payables, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(37,942,230.47)
Accrued interest payable	(410,464.81)
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(2,115,828.34)
Net Pension Liability	(17,829,343.00)
Accounts Payable related to the April 1, 2025 Required PERS pension contribution that is not to be liquidated with current financial resources.	(1,645,181.00)
Deferred Outflows of Resources - Related to Pensions	2,482,462.00
Deferred Inflows of Resources - Related to Pensions	<u>(2,548,002.00)</u>
Net Position of Governmental Activities	<u><u>\$ 21,467,440.66</u></u>

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

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES:					
Local Tax Levy	\$ 46,593,422.00			\$ 1,351,682.00	\$ 47,945,104.00
Tuition Charges	382,493.50				382,493.50
Interest	705,845.86		\$ 56,724.06		762,569.92
Unrestricted Miscellaneous Revenues	343,977.85				343,977.85
Restricted Miscellaneous Revenues	123,247.07				123,247.07
State Sources	48,133,608.83	\$ 4,018,115.59		339,930.00	52,491,654.42
Federal Sources	94,710.11	3,154,859.49			3,249,569.60
Local Sources		835,981.48			835,981.48
Total Revenues	96,377,305.22	8,008,956.56	56,724.06	1,691,612.00	106,134,597.84
EXPENDITURES:					
Current:					
Regular Instruction	26,039,594.30	3,230,956.47			29,270,550.77
Special Education Instruction	4,226,352.03				4,226,352.03
Other Special Instruction	683,051.75				683,051.75
Other Instruction	1,328,263.19				1,328,263.19
Support Services and Undistributed Costs:					
Tuition	5,903,833.43	1,308,009.00			7,211,842.43
Student and Instruction Related Services	7,948,611.24	2,609,947.46			10,558,558.70
Other Administrative Services	1,560,477.16				1,560,477.16
School Administrative Services	2,723,686.68				2,723,686.68
Plant Operations and Maintenance	6,630,311.70				6,630,311.70
Pupil Transportation	5,395,655.77				5,395,655.77
Personal Services - Employee Benefits	30,803,174.37				30,803,174.37
Transfer to Charter School	245,976.00				245,976.00
Debt Service:					
Principal				800,000.00	800,000.00
Interest and Other Charges				891,612.50	891,612.50
Capital Outlay	2,536,093.50	383,649.86	1,619,238.74		4,538,982.10
Total Expenditures	96,025,081.12	7,532,562.79	1,619,238.74	1,691,612.50	106,868,495.15
Excess (Deficiency) of Revenues over Expenditures	352,224.10	476,393.77	(1,562,514.68)	(0.50)	(733,897.31)
OTHER FINANCING SOURCES (USES):					
Total assets acquired under SBITA's	1,039,605.29				1,039,605.29
Total assets acquired under Leases	389,633.56				389,633.56
Total Other Financing Sources and Uses	1,429,238.85	-	-	-	1,429,238.85
Net Change in Fund Balances	1,781,462.95	476,393.77	(1,562,514.68)	(0.50)	695,341.54
Fund Balance -- July 1	18,415,778.10	1,046,344.11	3,009,044.44	0.70	22,471,167.35
Fund Balance -- June 30	\$ 20,197,241.05	\$ 1,522,737.88	\$ 1,446,529.76	\$ 0.20	\$ 23,166,508.89

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

TOWNSHIP OF DEPTFORD 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	\$ 695,341.54
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Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which actual capital outlays exceeded depreciation and

Depreciation and Amortization Expense
Capital Outlays

\$ (4,706,133.86)
4,538,982.10

(167,151.76)

Repayment of bond principal, finance purchases, leases and subscriptions is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

1,523,043.69

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

12,090.11

The issuance of long-term debt (e.g. bonds, finance purchases and subscriptions) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction; however, has any effect on Net Position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

(1,405,562.77)

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

(181,242.71)

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

2,844,926.00

Change in Net Position of Governmental Activities

\$ 3,321,444.10

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

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

 Proprietary Funds
 Statement of Net Position
 June 30, 2024

	Business-Type Activities - Enterprise Funds		
	<u>Food Service</u>	<u>Child Care Program</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 1,579,602.81	\$ 151,275.82	\$ 1,730,878.63
Accounts Receivable:			
State	3,055.18		3,055.18
Federal	48,360.30		48,360.30
Other (Net of Allowance for Doubtful Accounts of \$113,164.47)	19,970.20		19,970.20
Inventories	53,452.23		53,452.23
Total Current Assets	1,704,440.72	151,275.82	1,855,716.54
Noncurrent Assets:			
Capital Assets	281,125.22	415,023.78	696,149.00
Less Accumulated Depreciation	(185,178.08)	(50,562.24)	(235,740.32)
Total Noncurrent Assets	95,947.14	364,461.54	460,408.68
Total Assets	1,800,387.86	515,737.36	2,316,125.22
LIABILITIES:			
Current Liabilities:			
Due to Grantor	20,357.92		20,357.92
Interfund Payable	512,185.79	85,566.74	597,752.53
Unearned Revenue	33,640.89		33,640.89
Compensated Absences Payable	1,431.75		1,431.75
Total Current Liabilities	567,616.35	85,566.74	653,183.09
Noncurrent Liabilities:			
Compensated Absences Payable	12,885.71	-	12,885.71
Total Liabilities	580,502.05	85,566.74	666,068.79
NET POSITION:			
Net Investment In Capital Assets	95,947.14	364,461.54	460,408.68
Unrestricted	1,123,938.67	65,709.08	1,189,647.75
Total Net Position	\$ 1,219,885.81	\$ 430,170.62	\$ 1,650,056.43

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

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

	Business-Type Activities - Enterprise Fund		
	<u>Food Service</u>	<u>Child Care Program</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Services:			
Program Revenue	\$ 374,979.01		\$ 374,979.01
Non-Program Revenue	334,201.93		334,201.93
Miscellaneous	26,113.07	\$ 996,352.36	1,022,465.43
Total Operating Revenues	735,294.01	996,352.36	1,731,646.37
OPERATING EXPENSES:			
Salaries	575,602.65	934,932.81	1,510,535.46
Employee Benefits	118,297.52	112,978.79	231,276.31
Cost of Sales:			
Reimbursable Programs	729,256.27		729,256.27
Non-Reimbursable Programs	132,148.00		132,148.00
Purchased Professional Services	84,240.00	2,904.30	87,144.30
Supplies and Materials	104,331.52	76,536.63	180,868.15
Depreciation	12,871.62	21,325.26	34,196.88
Miscellaneous	62,762.37	2,354.66	65,117.03
Total Operating Expenses	1,819,509.95	1,151,032.45	2,970,542.40
Operating Income (Loss)	(1,084,215.94)	(154,680.09)	(1,238,896.03)
NONOPERATING REVENUES:			
State Sources:			
State School Lunch Program	35,598.62		35,598.62
State School Breakfast Program	20,143.90		20,143.90
Federal Sources:			
National School Lunch Program	672,095.86		672,095.86
National School Breakfast Program	229,399.81		229,399.81
National School Snack Program	7,591.95		7,591.95
Supply Chain Assistance Program	96,671.02		96,671.02
Food Distribution Program	202,416.30		202,416.30
ARP Stabilization Grant		249,753.05	249,753.05
Interest and Investment Revenue	46,810.21	11,141.55	57,951.76
Total Nonoperating Revenues	1,310,727.67	260,894.60	1,571,622.27
Change in Net Position	226,511.73	106,214.51	332,726.24
Net Position -- July 1	993,374.08	323,956.11	1,317,330.19
Net Position -- June 30	\$ 1,219,885.81	\$ 430,170.62	\$ 1,650,056.43

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

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

	Business-Type Activities - Enterprise Funds		
	Food Service	Child Care Program	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 739,386.81	\$ 996,352.36	\$ 1,735,739.17
Payments to Employees	(575,602.65)	(934,932.81)	(1,510,535.46)
Payments for Employee Benefits	(112,325.29)	(112,978.79)	(225,304.08)
Payments to Suppliers	<u>(1,111,919.17)</u>	<u>(96,953.92)</u>	<u>(1,208,873.09)</u>
Net Cash Provided by (used for) Operating Activities	<u>(1,060,460.30)</u>	<u>(148,513.16)</u>	<u>(1,208,973.46)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Cash Received from State, Local and Federal Reimbursements	<u>1,276,733.66</u>	<u>-</u>	<u>1,276,733.66</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchase of Capital Assets	<u>(47,079.68)</u>	<u>(203,801.53)</u>	<u>(250,881.21)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and Dividends	<u>46,810.21</u>	<u>11,141.55</u>	<u>57,951.76</u>
Net Increase (Decrease) in Cash and Cash Equivalents	216,003.89	(341,173.14)	(125,169.25)
Cash and Cash Equivalents -- July 1	<u>1,363,598.92</u>	<u>492,448.96</u>	<u>1,856,047.88</u>
Cash and Cash Equivalents -- June 30	<u><u>\$ 1,579,602.81</u></u>	<u><u>\$ 151,275.82</u></u>	<u><u>\$ 1,730,878.63</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (1,084,215.94)	\$ (154,680.09)	\$ (1,238,896.03)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation	12,871.62	21,325.26	34,196.88
(Increase) Decrease in Inventories	818.99		818.99
(Increase) Decrease in Other Current Receivables	(1,210.53)		(1,210.53)
Increase (Decrease) in Accounts Payable		(15,158.33)	(15,158.33)
Increase (Decrease) in Interfunds Payable	4,114.78		4,114.78
Increase (Decrease) in Unearned Revenue	5,303.33		5,303.33
Increase (Decrease) in Compensated Absences Payable	<u>1,857.45</u>		<u>1,857.45</u>
Total Adjustments	<u>23,755.64</u>	<u>6,166.93</u>	<u>29,922.57</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (1,060,460.30)</u></u>	<u><u>\$ (148,513.16)</u></u>	<u><u>\$ (1,208,973.46)</u></u>

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

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2024

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Township of Deptford School District (the "School District") have been prepared to conform 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 following is a summary of the more significant of these policies.

Description of the Reporting Entity

The School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). 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 Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades Kindergarten through 12 at the School District's eight schools. The School District has an approximate enrollment at June 30, 2024 of 4,199.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *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. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the School District is not includable in any other reporting entity on the basis of such criteria.

Government-wide and Fund Financial Statements

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Government-wide and Fund Financial Statements (Cont'd)**

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Gloucester County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)*****General Fund (Cont'd)***

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, ad valorem tax revenues, 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 revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including 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, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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 are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Enterprise Funds

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

Child Care Fund - This fund accounts for the financial activity related to providing day care services for School District students before school and after school.

As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line-item accounts within each fund. Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A: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 year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. 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 revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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.

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 fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payment.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Encumbrances (Cont'd)**

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on 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 in which they may invest. 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. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional 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 amount of their deposits to the governmental units.

Inventories

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Lease Receivable**

Lease receivables recorded on the government-wide financial statement, in the governmental funds, and in the proprietary fund types represents a contract that conveys control of the right to use the School District's (lessor) nonfinancial asset. At the commencement of the lease term, the lessor recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The School District was not a lessor during the fiscal year ended June 30, 2024.

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. The School District had no prepaid expenses for the fiscal year ended June 30, 2024.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures 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.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) 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. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column.

Capital Assets

Capital assets represent the cumulative amount of capital assets used by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. Intangible right to use assets (lease and subscription assets) are recorded as expenditures in the governmental fund financial statements. Lease assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Subscription assets are recorded as expenditures in the governmental fund financial statements. Subscription assets are measured on the government-wide statement of net position and proprietary fund statement of net position at the amount of the initial measurement of the related subscription liability, plus any payments associated with the arrangement made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Capital Assets (Cont'd)**

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated using the straight-line method over the useful life of the assets. Lease and subscription assets are amortized in a systematic and rational manner over the shorter of the lease and subscription term or the useful life of the underlying assets. The useful lives of the School District's capital assets are as follows:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated Lives</u>
Site Improvements	10-20 Years	N/A
Buildings and Improvements	20-50 Years	10-15 Years
Equipment	5-15 Years	15 Years
Subscription Assets	2-5 Years	N/A

The School District does not possess any infrastructure assets.

Deferred Outflows of Resources and Deferred Inflows of Resources

The statement of net position and the balance sheet for governmental funds reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources: defined benefit pension plans.

Tuition Payable

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

Unearned Revenue

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

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Compensated Absences**

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, 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 School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in 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 governmental fund financial statements when due.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Net Position

Net assets represent 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 or amortization of intangible capital assets, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

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

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

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance**

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

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

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

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

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

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

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

Interfund Activity

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accounting Estimates**

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

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statement that will become effective for the School District for fiscal year ending June 30, 2025:

Statement No. 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. Management is currently evaluating whether or not this Statement will have an impact on the basic financial statements of the School District.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is 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 Act (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, salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2024, the School District's bank balance of \$26,192,104.73 was exposed to custodial credit risk as follows:

Insured by FDIC	\$ 250,000.00
Insured by GUDPA	20,975,814.96
Uninsured and uncollateralized	<u>4,966,289.77</u>
	<u>\$ 26,192,104.73</u>

New Jersey Cash Management Fund - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2024, the School District's deposits with the New Jersey Cash Management Fund were \$1,818,063.85.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1 on October 3, 2006 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 Department, 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 by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

There was no activity in the capital reserve for the fiscal year ended June 30, 2024 and the balance remains \$5,852,794.00. The LRFP balance of local support costs of uncompleted projects at June 30, 2024 is \$11,244,403.00.

Note 4: ACCOUNTS RECEIVABLES

Accounts receivable at June 30, 2024 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey, except for the other receivables in the proprietary fund, which has an allowance of \$113,164.47.

Accounts receivable as of fiscal year-end for the School District's individual major funds, in the aggregate, are as follows:

	Governmental Funds			Proprietary Funds		Total
	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Total Business-Type Activities	
Receivables:						
Intergovernmental:						
Federal	\$ 20,321.42	\$ 1,503,035.76	\$ 1,523,357.18	\$ 48,360.30	\$ 48,360.30	\$ 1,571,717.48
State	1,283,542.99		1,283,542.99	3,055.18	3,055.18	1,286,598.17
Local Tuition	232,288.68	5,887.39	238,176.07			238,176.07
Other Receivables	13,413.69		13,413.69	19,970.20	19,970.20	33,383.89
Total	\$ 1,549,566.78	\$ 1,508,923.15	\$ 3,058,489.93	\$ 71,385.68	\$ 71,385.68	\$ 3,129,875.61

Note 5: INVENTORY

Inventory recorded at June 30, 2024 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 45,752.48
Supplies	7,699.75
	<u>\$ 53,452.23</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2024</u>
Governmental Activities:					
Capital Assets, not being Depreciated					
Land	\$ 633,053.34				\$ 633,053.34
Construction in Progress	1,007,087.65	\$ 1,619,238.74	\$ (2,082,381.18)		543,945.21
Total Capital Assets not being Depreciated	1,640,140.99	1,619,238.74	(2,082,381.18)	\$ -	1,176,998.55
Capital Assets, being Depreciated					
Site Improvements	4,076,426.49	382,353.01			4,458,779.50
Building and Improvements	89,601,023.03	679,728.78	1,914,036.20		92,194,788.01
Equipment	16,909,860.88	428,422.72	168,344.98		17,506,628.58
Total Capital Assets being Depreciated	110,587,310.40	1,490,504.51	2,082,381.18	-	114,160,196.09
Total Capital Assets, Cost	112,227,451.39	3,109,743.25	-	-	115,337,194.64
Less Accumulated Depreciation:					
Site Improvements	1,576,010.62	256,556.64			1,832,567.26
Building and Improvements	40,482,709.28	3,148,019.40			43,630,728.68
Equipment	11,723,589.57	1,015,145.71			12,738,735.28
Total Accumulated Depreciation	53,782,309.47	4,419,721.75	-	-	58,202,031.22
Total Capital Assets, net Excluding Subscription Assets	58,445,141.92	(1,309,978.50)	-	-	57,135,163.42
Lease Assets:					
Equipment		389,633.56			389,633.56
Less Accumulated Amortization		56,821.59			56,821.59
Total Lease Assets, net	-	332,811.97	-	-	332,811.97
Subscription Assets	83,513.41	1,039,605.29		55,696.43	1,067,422.27
Less Accumulated Amortization	51,984.18	229,590.52		55,696.43	225,878.27
Total Subscription Assets, net	31,529.23	810,014.77	-	-	841,544.00
Governmental Activities Capital Assets, Net	\$ 58,476,671.15	\$ (167,151.76)	\$ -	\$ -	\$ 58,309,519.39

Note 6: CAPITAL ASSETS (CONT'D)

Capital asset activity for the fiscal year ended June 30, 2024 is as follows (Cont'd):

	<u>Balance July 1, 2023</u>	<u>Additions</u>	<u>Transfers</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Business-Type Activities:					
Capital Assets, being Depreciated					
Building and Improvements	\$ 211,222.25	\$ 204,287.52			\$ 415,509.77
Equipment	234,045.54	47,079.68			281,125.22
Total Capital Assets being Depreciated	445,267.79	251,367.20	\$ -	\$ -	696,634.99
Less Accumulated Depreciation					
Building and Improvements	29,236.98	21,325.25			50,562.23
Equipment	172,306.46	12,871.62			185,178.08
Less Accumulated Depreciation	201,543.44	34,196.87	-	-	235,740.31
Business-Type Activities Capital Assets, Net	\$ 243,724.35	\$ 217,170.33	\$ -	\$ -	\$ 460,894.68

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

Governmental Activities

Instruction	\$ 2,941,888.81
Student & Instruction Related Services	874,786.39
Other Administrative Services	219,027.61
School Administrative Services	4,617.84
Plant Operations and Maintenance	361,894.57
Pupil Transportation	303,918.64

Total Depreciation and Amortization Expense - Governmental Activities	<u>\$ 4,706,133.86</u>
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Business-Type Activities

Food Service	\$ 12,871.62
Child Care Program	21,325.25

Total Depreciation Expense - Business-Type Activities	<u>\$ 34,196.87</u>
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Note 7: LONG-TERM LIABILITIES

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

Governmental Activities:	Principal Outstanding July 1, 2023	Additions	Reductions	Principal Outstanding June 30, 2024	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 36,835,000.00		\$ (800,000.00)	\$ 36,035,000.00	\$ 830,000.00
Unamortized Premium	662,930.22		(23,676.08)	639,254.14	
Total Bonds Payable:	37,497,930.22	\$ -	(823,676.08)	36,674,254.14	830,000.00
Other Liabilities:					
Net Pension Liability	18,024,162.00	5,011,996.00	(5,206,815.00)	17,829,343.00	
Financed Purchases	531,486.43		(262,786.87)	268,699.56	268,699.56
Compensated Absences	1,934,585.63	890,194.84	(708,952.13)	2,115,828.34	317,374.25
Total Other Liabilities:	20,490,234.06	5,902,190.84	(6,178,554.00)	20,213,870.90	586,073.81
Lease Liabilities:					
Equipment Lease	-	389,633.56	(54,791.76)	334,841.80	94,480.05
Subscription Liabilities	30,294.74	1,039,605.29	(405,465.06)	664,434.97	262,844.00
Governmental Activities Long-term Liabilities	\$ 58,018,459.02	\$ 7,331,429.69	\$ (7,462,486.90)	\$ 57,887,401.81	\$ 1,773,397.86

The bonds payable are liquidated by the debt service fund, while the net pension liability, financed purchases and compensated absences are liquidated by the general fund.

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

Business-Type Activities	Principal Outstanding July 1, 2023	Additions	Reductions	Principal Outstanding June 30, 2024	Due Within One Year
Compensated Absences	\$ 12,460.00	\$ 6,023.80	\$ (4,166.34)	\$ 14,317.46	\$ 1,431.75

Compensated absences are liquidated by the food service fund.

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On July 15, 2020, the School District issued \$37,616,000.00 general obligation bonds at interest rates varying from 2.00% to 2.50% for various capital improvements. The final maturity of these bonds is July 15, 2050. The bonds will be paid from property taxes.

Note 7: LONG-TERM LIABILITIES (CONT'D)

Bonds Payable (Cont'd) - Principal and interest due on bonds outstanding is as follows:

Fiscal Year				
Ending June 30	Principal	Interest	Total	
2025	\$ 830,000.00	\$ 874,275.00	\$ 1,704,275.00	
2026	885,000.00	854,981.25	1,739,981.25	
2027	935,000.00	834,506.25	1,769,506.25	
2028	985,000.00	812,906.25	1,797,906.25	
2029	1,040,000.00	790,125.00	1,830,125.00	
2030-2034	5,970,000.00	3,554,487.50	9,524,487.50	
2035-2039	7,255,000.00	2,733,062.50	9,988,062.50	
2040-2044	7,775,000.00	1,780,937.50	9,555,937.50	
2045-2049	7,470,000.00	820,375.00	8,290,375.00	
2050-2051	2,890,000.00	72,125.00	2,962,125.00	
	<u>\$ 36,035,000.00</u>	<u>\$ 13,127,781.25</u>	<u>\$ 49,162,781.25</u>	

Bonds Authorized but not Issued - As of June 30, 2024, the School District had no authorizations to issue additional bonded debt.

Net Pension Liability - For details on the net pension liability, refer to Note 8. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

Financed Purchases - As of June 30, 2024, the School District is financing the following items:

- A turf field with a total cost of \$1,300,000.00. The agreement is for a term of 4.5 years with an interest rate of 2.25%. The final maturity of the financed purchase is August 28, 2024.

The following is a schedule of the remaining future minimum payments under the financed purchases, and the present value of the net minimum payments at June 30, 2024:

Fiscal Year				
Ending June 30	Principal	Interest	Total	
2025	\$ 268,699.56	\$ 6,045.75	\$ 274,745.31	

Financed purchases are depreciated in a manner consistent with the School District's depreciation policy for owned assets.

Compensated Absences - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to Note 13 for a description of the School District's Policy.

Note 7: LONG-TERM LIABILITIES (CONT'D)

Lease Liabilities - The School District's payments on lease liabilities are budgeted and paid from the general fund on an annual basis.

Annual requirements to amortize lease obligations and related interest are as follows:

Fiscal Year				
Ending June 30	Principal	Interest	Total	
2025	\$ 94,480.05	\$ 8,753.19	\$ 103,233.24	
2026	97,353.76	5,879.48	103,233.24	
2027	100,314.86	2,918.38	103,233.24	
2028	42,693.13	320.72	43,013.85	
	<u>\$ 334,841.80</u>	<u>\$ 17,871.77</u>	<u>\$ 352,713.57</u>	

Subscription Liabilities - The School District's payments on subscription liabilities are budgeted and paid from the general fund on an annual basis.

The School District has entered into subscription-based information technology arrangements (SBITAs) involving various software-based products as defined below:

Subscription Description	Commencement Date	End Date	Term of Subscription	Annual Payments	Estimated Incremental Interest Rate
Educational Software	07/01/22	06/30/25	3 Years	\$ 6,940.00	4.00%
Student Management Software	07/01/22	06/30/24	2 Years	8,904.38	2.00%
Cyber Security Software	07/01/22	06/30/24	2 Years	1,997.31	1.00%
Security Software	03/30/23	03/29/28	5 Years	1,682.00	4.00%
Math Application	07/01/23	06/30/29	6 Years	97,396.88	3.00%
IEP Tracking	07/01/23	06/30/26	3 Years	21,112.95	3.00%
Employee Management	07/01/23	06/30/26	3 Years	15,332.14	3.00%
Phone System	07/01/23	06/30/26	3 Years	126,000.00	3.00%
ELA Software	05/01/24	08/31/27	3 Years	131,105.50	3.00%

The future subscription payments under the SBITA agreements are as follows:

Fiscal Year				
Ending June 30	Principal	Interest	Total	
2025	\$ 262,844.00	\$ 11,338.10	\$ 274,182.10	
2026	276,934.35	17,658.86	294,593.21	
2027	124,656.62	3,755.87	128,412.49	
	<u>\$ 664,434.97</u>	<u>\$ 32,752.83</u>	<u>\$ 697,187.80</u>	

Subscription liabilities are amortized in a manner consistent with the School District's depreciation policy for owned assets.

Note 8: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. The DCRP is administered by Empower (formerly Prudential Financial).

Each of the aforementioned plans have a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements, required supplementary information, and detailed information about the PERS and TPAF plans' fiduciary net position that can be obtained by writing to or at the following website:

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

General Information about the Pension Plans**Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey ("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 benefits to certain 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 Board of Trustees is primarily responsible for the administration of the Plan.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan that was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS' designated purpose is to provide retirement, death, and disability benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS' Board of Trustees is primarily responsible for the administration of the PERS.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of P.L. 2007, c. 92 and P.L. 2007, c. 103, and expanded under the provisions of P.L. 2008, c. 89 and P.L. 2010, c. 1. The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are state or local officials who are elected or appointed on or after July 1, 2007; employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in New Jersey State Police Retirement System (SPRS) or the Police and Firemen's Retirement System (PFRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

Vesting and Benefit Provisions

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

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

Public Employees' Retirement System - 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 10 years of service.

The membership tiers for PERS are the same as previously noted for TPAF.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Public Employees' Retirement System (Cont'd) - Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 with 25 years or more 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 the respective tier.

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2023. The State's contribution is based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability. For fiscal year 2023, the State's pension contribution was more than the actuarial determined amount.

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 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*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2024 was 32.72% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to contribute 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 \$11,286,226.00, and was paid by April 1, 2024. School District employee contributions to the Plan during the fiscal year ended June 30, 2024 were \$2,617,520.22.

Note 8: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Pursuant to the provisions of P.L. 2011, C. 78, the member contribution rate was 7.50% in State fiscal year 2023. Employers' contributions are based on an actuarially determined amount, which includes the normal cost and an amortization of the unfunded accrued liability.

Special Funding Situation Component - Under N.J.S.A. 43:15A, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. One of such legislations, which legally obligate the State, is Chapter 133, P.L. 2001. This legislation increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month compensation for each year of service from 60 to 55. Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the State's increased benefits. If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers. The amounts contributed on behalf of the local participating employers under this legislation is considered to be a *special funding situation* as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute under this legislation directly to the Plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the local participating employers related to this legislation.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2024 was 14.93% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

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 \$1,645,180.00, and was paid by April 1, 2024. School District employee contributions to the Plan during the fiscal year ended June 30, 2024 were \$885,307.13.

The amount of contractually required contribution for the State of New Jersey's proportionate share, associated with the School District, under Chapter 133, P.L. 2001, for the fiscal year ended June 30, 2024 was .50% of the School District's covered payroll.

Based on the most recent PERS measurement date of June 30, 2023, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2024 was \$55,603.00. For the prior year measurement date of June 30, 2022, the State's contractually required contribution, under Chapter 133, P.L. 2001, on-behalf of the School District, to the pension plan for the year ended June 30, 2023 was \$37,924.00.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with P.L. 2007, C. 92, and P.L. 2007, C. 103, Plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period.

For the fiscal year ended June 30, 2024, employee contributions totaled \$58,428.27, and the School District recognized pension expense, which equaled the required contributions, of \$42,875.59. There were no forfeitures during the fiscal year.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions****Teachers' Pension and Annuity Fund**

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

The State's proportionate share of net pension liability, however, attributable to the School District is as follows:

Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer	<u>138,233,160.00</u>
	<u>\$ 138,233,160.00</u>

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 total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. For the June 30, 2023 measurement date, the School District's proportion 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 and the State of New Jersey, actuarially determined. At the June 30, 2023 measurement date, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey; however, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.2708718966%, which was a decrease of 0.0012853242% from its proportion measured as of June 30, 2022.

Pension (Benefit) Expense - For the fiscal year ended June 30, 2024, the State's proportionate share of the pension (benefit) expense, associated with the School District, calculated by the Plan as of June 30, 2023 measurement date, was \$3,395,986.00. This on-behalf expense has been recognized by the School District in the government-wide financial statements.

Public Employees' Retirement System

Pension Liability - At June 30, 2024, there is no net pension liability associated with the special funding situation under Chapter 133, P.L. 2001, as there was no accumulated difference between the annual additional normal cost and the actual State contribution through the valuation date. The School District reported a liability of \$17,829,343.00 for its proportionate share of the net pension liability for PERS. 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 total pension liability was calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. The School District's proportion 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. For the June 30, 2023 measurement date, the School District's proportion was 0.1230936361%, which was an increase of 0.0036601194% from its proportion measured as of June 30, 2022.

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Pension (Benefit) Expense - For the fiscal year ended June 30, 2024, the School District recognized pension (benefit) expense of (\$1,173,255.00), in the government-wide financial statements. This pension expense was based on the pension plan's June 30, 2023 measurement date.

For the fiscal year ended June 30, 2024, the State's proportionate share of the pension (benefit) expense, associated with the School District, under Chapter 133, P.L. 2001, calculated by the Plan as of June 30, 2023 measurement date, was \$55,603.00.

Deferred Outflows and Inflows of Resources - At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows Resources</u>
Differences between Expected and Actual Experience	\$ 170,471.00	\$ 72,881.00
Changes of Assumptions	39,167.00	1,080,535.00
Net Difference between Projected and Actual Earnings on Pension Plan Investments	82,106.00	-
Changes in Proportion and Differences between Contribution and Proportionate Share of Contributions	545,537.00	1,394,586.00
Contributions Subsequent to the Measurement Date	<u>1,645,181.00</u>	<u>-</u>
	<u>\$ 2,482,462.00</u>	<u>\$ 2,548,002.00</u>

Deferred outflows of resources in the amount of \$1,645,181.00 will be included as a reduction of the net pension liability in the subsequent fiscal year, June 30, 2025. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year**Ending June 30,**

2025	\$ (1,566,255.00)
2026	(720,352.00)
2027	586,218.00
2028	(22,171.00)
2029	<u>11,839.00</u>
	<u>\$ (1,710,721.00)</u>

Note 8: PENSION PLANS (CONT'D)**Pension Liabilities, Pension (Benefit) Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)****Public Employees' Retirement System (Cont'd)**

Deferred Outflows and Inflows of Resources (Cont'd) The other deferred outflows of resources and deferred inflows of resources related to pensions will be amortized over the following number of years:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience			Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2018	-	5.63	June 30, 2018	5.00	-
June 30, 2019	5.21	-	June 30, 2019	5.00	-
June 30, 2020	5.16	-	June 30, 2020	5.00	-
June 30, 2021	-	5.13	June 30, 2021	5.00	-
June 30, 2022	-	5.04	June 30, 2022	5.00	-
June 30, 2023	5.08	-	June 30, 2023	5.00	-
Changes of Assumptions			Changes in Proportion		
Year of Pension Plan Deferral:			Year of Pension Plan Deferral:		
June 30, 2018	-	5.63	June 30, 2018	5.63	5.63
June 30, 2019	-	5.21	June 30, 2019	5.21	5.21
June 30, 2020	-	5.16	June 30, 2020	5.16	5.16
June 30, 2021	5.13	-	June 30, 2021	5.13	5.13
June 30, 2022	-	5.04	June 30, 2022	5.04	5.04
			June 30, 2023	5.08	5.08

Actuarial Assumptions

The net pension liabilities were measured as of June 30, 2023 and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation as of July 1, 2022. The total pension liabilities were calculated using updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2023. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation Rate:		
Price	2.75%	2.75%
Wage	3.25%	3.25%
Salary Increases:	2.75% - 4.25%	2.75% - 6.55%
	Based on Years of Service	Based on Years of Service
Investment Rate of Return	7.00%	7.00%
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2018 - June 30, 2021	July 1, 2018 - June 30, 2021

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

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

For PERS, 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.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on Plan investments (7.00% at the June 30, 2023 measurement date) 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 TPAF's and PERS' target asset allocation as of the June 30, 2023 measurement date are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S. Equity	28.00%	8.98%
Non-US Developed Markets Equity	12.75%	9.22%
International Small Cap Equity	1.25%	9.22%
Emerging Market 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%
	<u>100.00%</u>	

Note 8: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)****Discount Rate -**

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

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

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate

Teachers' Pension and Annuity Fund (TPAF) - 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 Plan's measurement date, attributable to the School District is \$0.00. The following, however, presents the net pension liability of the State as of June 30, 2023 (Plan's measurement date), attributable to the School District, calculated using the discount rate of 7.00% as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the Employer	<u>163,001,980.00</u>	<u>138,233,160.00</u>	<u>117,371,927.00</u>
	<u>\$ 163,001,980.00</u>	<u>\$ 138,233,160.00</u>	<u>\$ 117,371,927.00</u>

Note 8: PENSION PLANS (CONT'D)**Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2023, the Plan's measurement date, calculated 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% lower or 1% higher than the current rates used:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability	<u>\$ 23,210,011.00</u>	<u>\$ 17,829,343.00</u>	<u>\$ 13,249,683.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, 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.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN****General Information about the OPEB Plan**

Plan Description and Benefits Provided - The State Health Benefit 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.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****General Information about the OPEB Plan (Cont'd)**

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.

Employees Covered by Benefit Terms - At June 30, 2023, the OPEB Plan's measurement date, the entire State Health Benefit Local Education Retired Employees OPEB Plan consisted of the following members.

Active Plan Members	217,212
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	152,383
Inactive Plan Members Entitled to but Not Yet Receiving Benefit Payments	-
	<u>369,595</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 the OPEB Plan for qualified retired TPAF, PERS, PFRS and ABP pension participants. The School District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS 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 State's proportionate share of the net OPEB liability associated with the School District as of June 30, 2024 \$160,665,450.00. Since the OPEB liability associated with the School District is 100% attributable to the State, the OPEB liability will be referred to as the total non-employer OPEB liability.

The total non-employer OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022, which was rolled forward to June 30, 2023. For the June 30, 2023 measurement date, the State's proportionate share of the non-employer OPEB liability associated with the School District was 0.3068379129%, which was an increase of 0.0020047993% from its proportion measured as of June 30, 2022.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Total Non-Employer OPEB Liability (Cont'd)**

Actuarial Assumptions and Other Inputs - The actuarial assumptions and other inputs vary for each plan member depending on the pension plan in which the member is enrolled. The actuarial valuation at June 30, 2022, which was rolled forward to June 30, 2023, used the following actuarial assumptions, applied to all periods in the measurement:

Salary Increases –

	<u>TPAF/ABP</u> *	<u>PERS</u> *	<u>PFRS</u> *
Salary Increases	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%

* based on service years

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

Experience Studies - The actuarial assumptions used in the June 30, 2022 valuation, which was rolled forward to June 30, 2023, were based on the results of actuarial experience studies for the periods July 1, 2018 to June 30, 2021 for TPAF, PERS, and PFRS

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 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend rate is 5.00%.

Discount Rate - The discount rate for June 30, 2023 measurement date 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.

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)****Changes in the Total Non-Employer OPEB Liability**

The below table summarizes the State's proportionate share of the change in the Total Non-Employer OPEB Liability associated with the School District:

Balance at June 30, 2023		\$ 154,387,190.00
Changes for the Year:		
Service Cost	\$ 6,157,750.00	
Interest Cost	5,658,441.00	
Changes in Benefit Terms	-	
Difference between Expected and Actual Experience	(1,595,925.00)	
Changes in Assumptions	323,835.00	
Member Contributions	145,006.00	
Gross Benefit Payments	<u>(4,410,847.00)</u>	
Net Changes		<u>6,278,260.00</u>
Balance at June 30, 2024		<u>\$ 160,665,450.00</u>

Differences between expected and actual experience reflect a decrease in liability for the measurement period from June 30, 2022 to June 30, 2023 due to changes in the census and premium and claims experience.

Changes in assumptions reflect an increase in the liability for the measurement period from June 30, 2022 to June 30, 2023 due to the combined effect of the discount rate change; and changes in the trend update.

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Discount Rate - The State's proportionate share of the total non-employer OPEB liability as of June 30, 2023, associated with the School District, using a discount rate of 3.65%, as well as using a discount rate that is 1% lower or 1% higher than the current rate used is as follows:

	1% Decrease <u>(2.65%)</u>	Current Discount Rate <u>(3.65%)</u>	1% Increase <u>(4.65%)</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 188,352,658.00</u>	<u>\$ 160,665,450.00</u>	<u>\$ 138,435,837.00</u>

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)**

Sensitivity of the Total Non-Employer OPEB Liability to Changes in the Healthcare Cost Trend Rates - The State's proportionate share of the total Non-Employer OPEB Liability as of June 30, 2023, associated with the School District, using a healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rate used is as follows:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
State of New Jersey's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the Employer	<u>\$ 133,377,094.00</u>	<u>\$ 160,665,450.00</u>	<u>\$ 196,372,335.00</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Total Non-Employer OPEB Liability

OPEB Expense - For the fiscal year ended June 30, 2024, the School District recognized \$3,120,054.00 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 was based on the OPEB Plan's June 30, 2023 measurement date.

Deferred Outflows and Inflows of Resources - 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; however, at June 30, 2024, the State's proportionate share of the total non-employer OPEB liability's deferred outflows of resources and deferred inflows of resources, associated with School District, from the following sources are as follows

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 23,441,550.00	\$ 42,317,677.00
Changes of Assumptions	22,846,830.00	44,337,921.00
Changes in Proportion	<u>2,538,200.00</u>	<u>6,015,561.00</u>
	<u>\$ 48,826,580.00</u>	<u>\$ 92,671,159.00</u>

Note 9: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONT'D)**STATE HEALTH BENEFIT LOCAL EDUCATION RETIRED EMPLOYEES PLAN (CONT'D)**

Deferred Outflows and Inflows of Resources (Cont'd) - Amounts reported as deferred outflows of resources and deferred inflows of resources related to the State's proportionate share of the total non-employer OPEB liability, associated with the School District, will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2025	\$ (8,696,448.00)
2026	(8,696,448.00)
2027	(7,638,300.00)
2028	(4,782,176.00)
2029	(1,193,361.00)
Thereafter	<u>(12,837,846.00)</u>
	<u><u>\$ (43,844,579.00)</u></u>

Note 10: 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 costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance were \$11,374,907.00, \$129,782.00, \$3,132,516.00, and \$3,941.00, respectively.

Note 11: DEFERRED COMPENSATION

The School District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Retirement Annuity Consultants	Equitable Life Assurance Society
Lincoln Investment Planning Inc.	Fidelity Investments
Paul Revere Tax Shelter	Valic
American United Life	AIG

Note 12: RISK MANAGEMENT

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State.

Note 12: RISK MANAGEMENT (CONT'D)

New Jersey Unemployment Compensation Insurance (Cont'd) The following is a summary of the activity of the School District's unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ending June 30</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Earnings</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending Balance</u>	
				<u>Claims</u> <u>Payable</u>	<u>Restricted</u> <u>Fund</u> <u>Balance</u>
2024	\$ 96,053.22	\$ 39,996.83	\$ 43,554.07	\$ 52,499.15	\$ 771,593.62
2023	88,124.20	23,247.07	198,923.24		731,596.79
2022	81,417.07	1,717.36	1,171.27	80,245.80	738,902.96

As of June 30, 2024, the District has accrued expense balance of \$87,713.53 for anticipated unemployment bills because the School District has not been billed.

Note 13: 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, *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 who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees, with the exception of instructional paraprofessionals, are entitled to three personal days which may be carried forward to subsequent years. Instructional paraprofessionals are entitled to two personal days which may be carried forward to subsequent years. Vacation days not used during the year may be accumulated and carried forward. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' unit agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2024 the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$2,115,828.34 and \$14,317.46, respectively.

Note 14: INTERFUND RECEIVABLES AND PAYABLES

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

<u>Fund</u>	<u>Interfunds</u> <u>Receivable</u>	<u>Interfunds</u> <u>Payable</u>
General	\$ 597,752.53	
Food Service		512,185.79
Child Care Program		85,566.74
	<u>\$ 597,752.53</u>	<u>\$ 597,752.53</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2025, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 15: CONTINGENCIES

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

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 16: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 17: COMMITMENTS

The School District had one construction project ongoing as of the fiscal year ended June 30, 2024 that will continue into the subsequent fiscal year(s). This project, which is related to the capital projects fund, is as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
High School and Middle School Renovations Project	January 26, 2021	\$ 888,119.77

Note 18: 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: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Capital Reserve Account - As of June 30, 2024, the balance in the capital reserve account is \$5,852,794.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For 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. New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2024 is \$2,502,481.97. Additionally, \$5,866,184.87 of excess fund balance generated during 2022-2023 has been restricted and designated for utilization in the 2024-2025 budget.

For Unemployment Compensation - Pursuant to N.J.S.A. 43:21-7.3(g), the School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method" (see note 12). As a result, there exists at June 30, 2024 a restricted fund balance from employer contributions in the amount of \$771,593.62 for future unemployment claims.

Note 18: FUND BALANCES**RESTRICTED (CONT'D)****Special Revenue Fund**

For Student Activities - In accordance with N.J.A.C. 6A:23A-16.12(c), each school district shall ensure through adoption of a formal board policy that all financial and bookkeeping controls are adequate to ensure appropriate fiscal accountability and sound business practices for funds collected for student activities. As such, borrowing from student activity funds is prohibited. The balance of these funds as of June 30, 2024 is \$451,553.53.

For Scholarships - The School District reports fund balance resulting from the receipt of an endowment to be used for scholarships for future teachers. These funds are required to be used as restricted by the donor. The balance of these funds as of June 30, 2024 is \$82,269.13.

For Chromebooks - The School District reports fund balance resulting from the receipts for fines and insurance for the use of Chromebooks in schools. These funds are restricted for the use of repairs. The balance of these funds as of June 30, 2024 is \$30,827.24.

Capital Projects Fund – On July 15, 2020, the School District issued \$37,616,000.00 of general obligation bonds pursuant to: (i) Title 18A, Chapter 24, of the New Jersey Statutes, as amended and supplemented; N.J.S.A. 18A:24-1 et seq.; and (ii) a resolution, duly and finally adopted by the Board on June 2, 2020. The Bonds are authorized by a proposal adopted by the Board on November 19, 2019 and approved by the legal voters of the School District at a special election held on January 28, 2020. The bond issuance was approved by the voters for various improvements related to the Spartan Stadium Improvement Project. As of June 30, 2024, the restricted fund balance in the capital projects fund was \$1,446,529.76.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2025 \$0.20 of debt service fund balance at June 30, 2024.

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

Other Purposes - As of June 30, 2024, the School District had \$2,622,304.58 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2025 \$408,135.13 of general fund balance at June 30, 2024.

Note 18: FUND BALANCES**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, \$2,173,746.88 of general fund balance was unassigned.

Special Revenue Fund - As of June 30, 2024, \$958,087.98 of special revenue fund balance was unassigned.

Note 19: 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.

The Township of Deptford has entered into various property tax abatement agreements with properties having aggregate assessed valuations of \$17,197,800.00. Based on the School District's 2023 certified tax rate of \$1.681, abated taxes totaled \$289,095.02.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 46,593,422.00		\$ 46,593,422.00	\$ 46,593,422.00	
Tuition - LEAs w/in state	125,000.00		125,000.00	382,493.50	\$ 257,493.50
Interest				703,845.86	703,845.86
Interest on Capital Reserve	2,500.00		2,500.00	2,000.00	(500.00)
Capital Contribution - Spartan Stadium				100,000.00	100,000.00
Other Restricted Miscellaneous Revenues				23,247.07	23,247.07
Miscellaneous	225,000.00		225,000.00	343,977.85	118,977.85
Total - Local Sources	46,945,922.00	\$ -	46,945,922.00	48,148,986.28	1,203,064.28
State Sources:					
Equalization Aid	23,892,592.00		23,892,592.00	23,892,592.00	
Categorical Special Education Aid	3,946,819.00		3,946,819.00	3,946,819.00	
Categorical Security Aid	483,815.00		483,815.00	483,815.00	
School Choice Aid	111,718.00		111,718.00	111,718.00	
Categorical Transportation Aid	1,711,578.00		1,711,578.00	1,711,578.00	
Nonpublic Transportation Aid	60,000.00		60,000.00	73,321.00	13,321.00
Tuition Reimbursement for Homeless Students				24,321.00	24,321.00
Extraordinary Aid	450,000.00		450,000.00	1,061,311.00	611,311.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				11,379,907.00	11,379,907.00
On-Behalf T.P.A.F. Non-contributory Insurance (non-budgeted)				129,782.00	129,782.00
On-Behalf T.P.A.F. Long-Term Disability Insurance (non-budgeted)				3,941.00	3,941.00
On-Behalf T.P.A.F. Post Retirement Pension Contributions (non-budgeted)				3,132,516.00	3,132,516.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				2,493,952.15	2,493,952.15
Total - State Sources	30,656,522.00	-	30,656,522.00	48,445,573.15	17,789,051.15
Federal Sources:					
Medicaid Reimbursement	121,802.00	-	121,802.00	94,710.11	(27,091.89)
Total Revenues	77,724,246.00	-	77,724,246.00	96,689,269.54	18,965,023.54

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 1,352,000.00	\$ 342,687.00	\$ 1,694,687.00	\$ 1,692,074.12	\$ 2,612.88
Grades 1-5	9,300,000.00	53,573.00	9,353,573.00	9,345,076.30	8,496.70
Grades 6-8	6,400,000.00	(544,279.65)	5,855,720.35	5,674,808.52	180,911.83
Grades 9-12	7,086,000.00	(43,893.35)	7,042,106.65	7,034,549.65	7,557.00
Regular Programs - Home Instruction:					
Salaries of Teachers	85,000.00	19,861.25	104,861.25	104,861.25	
Purchased Professional - Educational Services	50,000.00	9,936.75	59,936.75	59,006.75	930.00
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction		599,000.00	599,000.00	595,245.93	3,754.07
Purchased Professional - Educational Services	621,600.00	(579,206.66)	42,393.34	21,909.74	20,483.60
Purchased Technical Services	393,450.00	19,094.08	412,544.08	400,836.89	11,707.19
Other Purchased Services	356,045.49	(31,893.34)	324,152.15	263,448.08	60,704.07
General Supplies	922,558.00	(45,697.49)	876,860.51	826,282.28	50,578.23
Textbooks	32,500.00		32,500.00	16,843.13	15,656.87
Other Objects	4,762.50		4,762.50	4,651.66	110.84
Total Regular Programs	26,603,915.99	(200,818.41)	26,403,097.58	26,039,594.30	363,503.28
Behavioral Disabilities:					
Salaries of Teachers	292,000.00	14,377.00	306,377.00	306,377.00	
Other Salaries for Instruction	250,000.00	(14,377.00)	235,623.00	216,189.68	19,433.32
General Supplies	3,850.00		3,850.00	3,226.96	623.04
Total Behavioral Disabilities	545,850.00	-	545,850.00	525,793.64	20,056.36
Multiple Disabilities:					
Salaries of Teachers	880,000.00		880,000.00	861,404.27	18,595.73
Other Salaries for Instruction	910,000.00	(41,138.51)	868,861.49	786,634.45	82,227.04
General Supplies	9,800.00		9,800.00	6,937.01	2,862.99
Other Objects	1,500.00		1,500.00		1,500.00
Total Multiple Disabilities	1,801,300.00	(41,138.51)	1,760,161.49	1,654,975.73	105,185.76

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Autism:					
Salaries of Teachers	\$ 350,000.00	\$ 62,755.00	\$ 412,755.00	\$ 412,755.00	
Other Salaries for Instruction	610,000.00	(97,711.00)	512,289.00	398,383.26	\$ 113,905.74
General Supplies	16,400.00		16,400.00	11,807.19	4,592.81
Total Autism	976,400.00	(34,956.00)	941,444.00	822,945.45	118,498.55
Preschool Disabilities - Part Time:					
Other Salaries for Instruction		5,345.77	5,345.77	5,345.77	
General Supplies		399.02	399.02	367.53	31.49
Total Preschool Disabilities - Part Time	-	5,744.79	5,744.79	5,713.30	31.49
Preschool Disabilities - Full Time:					
Salaries of Teachers	525,000.00	52,284.28	577,284.28	577,284.28	
Other Salaries for Instruction	720,000.00	(22,674.05)	697,325.95	635,104.88	62,221.07
General Supplies	5,500.00	(399.02)	5,100.98	4,534.75	566.23
Total Preschool Disabilities - Full Time	1,250,500.00	29,211.21	1,279,711.21	1,216,923.91	62,787.30
Total Special Education - Instruction	4,574,050.00	(41,138.51)	4,532,911.49	4,226,352.03	306,559.46
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	525,000.00	(91,840.00)	433,160.00	349,871.75	83,288.25
Bilingual Education - Instruction:					
Salaries of Teachers	335,000.00	-	335,000.00	333,180.00	1,820.00
School Sponsored Cocurricular Activities - Instruction:					
Salaries	205,000.00	4,859.75	209,859.75	186,280.59	23,579.16
General Supplies	26,500.00	(9,043.19)	17,456.81	17,456.81	
Other Objects	16,240.50	(1,034.73)	15,205.77	8,965.27	6,240.50
Total School Sponsored Cocurricular Activities - Instruction	247,740.50	(5,218.17)	242,522.33	212,702.67	29,819.66

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
School Sponsored Athletics - Instruction:					
Salaries	\$ 657,000.00	\$ 1,804.00	\$ 658,804.00	\$ 658,803.08	\$ 0.92
Purchased Services	330,746.00	1,410.06	332,156.06	323,634.15	8,521.91
Supplies and Materials	67,254.00	11,356.30	78,610.30	78,546.60	63.70
Other Objects	51,166.70	4,037.49	55,204.19	54,576.69	627.50
Total School Sponsored Athletics - Instruction	1,106,166.70	18,607.85	1,124,774.55	1,115,560.52	9,214.03
Total Instruction	33,391,873.19	(320,407.24)	33,071,465.95	32,277,261.27	794,204.68
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	64,000.00	37,845.28	101,845.28	101,845.28	
Tuition to Other LEA's Within State - Special	136,800.00	(44,231.32)	92,568.68	92,568.68	
Tuition to County Voc. School Dist. - Regular	673,920.00	(19,828.76)	654,091.24	649,195.20	4,896.04
Tuition to CSSD & Reg. Day Schools	3,540,634.00	(150,159.99)	3,390,474.01	2,581,866.00	808,608.01
Tuition to Private Schools for the Disabled - Within State	2,295,130.00	126,965.02	2,422,095.02	2,281,884.77	140,210.25
Tuition to Priv Sch Disabled & Other LEAs - Spl,O/S St	152,795.00	2,211.00	155,006.00	155,006.00	
Tuition - State Facilities	45,575.00	450.00	46,025.00	41,467.50	4,557.50
Total Undistributed Expenditures - Instruction	6,908,854.00	(46,748.77)	6,862,105.23	5,903,833.43	958,271.80
Attendance and Social Work Services:					
Salaries	133,000.00	-	133,000.00	118,563.00	14,437.00
Undistributed Expenditures - Health Services:					
Salaries	745,000.00	(63,957.00)	681,043.00	617,299.91	63,743.09
Purchased Professional and Technical Services	32,000.00		32,000.00	30,165.00	1,835.00
Supplies and Materials	18,050.00	986.56	19,036.56	14,707.13	4,329.43
Other Objects	1,800.00	538.44	2,338.44	1,208.10	1,130.34
Total Undistributed Expenditures - Health Services	796,850.00	(62,432.00)	734,418.00	663,380.14	71,037.86

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Undistributed Expenditures - Other Support Services - Speech, OT,PT & Related Services:					
Salaries	\$ 808,000.00		\$ 808,000.00	\$ 806,810.00	\$ 1,190.00
Purchased Professional - Educational Services	84,000.00	\$ 21,354.00	105,354.00	105,354.00	
Supplies and Materials	15,000.00		15,000.00	10,819.47	4,180.53
	<u>907,000.00</u>	<u>21,354.00</u>	<u>928,354.00</u>	<u>922,983.47</u>	<u>5,370.53</u>
Total Undistributed Expenditures - Other Support Services - Speech, OT, PT & Related Services					
	<u>907,000.00</u>	<u>21,354.00</u>	<u>928,354.00</u>	<u>922,983.47</u>	<u>5,370.53</u>
Undistributed Expenditures - Other Support Services - Students - Extraordinary:					
Salaries	1,340,000.00	159,822.00	1,499,822.00	1,484,875.37	14,946.63
Purchased Professional - Educational Services	450,000.00	90,966.26	540,966.26	358,247.50	182,718.76
Supplies and Materials	11,895.00	(3,136.00)	8,759.00	8,252.52	506.48
	<u>1,801,895.00</u>	<u>247,652.26</u>	<u>2,049,547.26</u>	<u>1,851,375.39</u>	<u>198,171.87</u>
Total Undistributed Expenditures - Other Support Services - Students - Extraordinary					
	<u>1,801,895.00</u>	<u>247,652.26</u>	<u>2,049,547.26</u>	<u>1,851,375.39</u>	<u>198,171.87</u>
Undistributed Expenditures - Other Support Services - Guidance:					
Salaries of Other Professional Staff	1,375,000.00	47,198.77	1,422,198.77	1,365,614.09	56,584.68
Salaries of Secretarial and Clerical Assistants	103,000.00		103,000.00	89,988.43	13,011.57
Supplies and Materials	13,250.00		13,250.00	10,850.30	2,399.70
Other Objects	400.00		400.00	100.00	300.00
	<u>1,491,650.00</u>	<u>47,198.77</u>	<u>1,538,848.77</u>	<u>1,466,552.82</u>	<u>72,295.95</u>
Total Undistributed Expenditures - Other Support Services - Guidance					
	<u>1,491,650.00</u>	<u>47,198.77</u>	<u>1,538,848.77</u>	<u>1,466,552.82</u>	<u>72,295.95</u>

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Undistributed Expenditures - Other Support Services -					
Child Study Teams:					
Salaries of Other Professional Staff	\$ 1,372,000.00	\$ (84,679.00)	\$ 1,287,321.00	\$ 1,277,177.97	\$ 10,143.03
Salaries of Secretarial and Clerical Assistants	51,000.00	33,686.00	84,686.00	84,685.14	0.86
Other Salaries	275,000.00	51,353.00	326,353.00	323,653.53	2,699.47
Purchased Professional and Technical Services	40,000.00	(13,360.00)	26,640.00	19,399.67	7,240.33
Other Purchased Services	4,500.00		4,500.00	1,610.81	2,889.19
Supplies and Materials	19,000.00	(4,000.00)	15,000.00	13,954.39	1,045.61
Total Undistributed Expenditures - Other Support Services -					
Child Study Teams	1,761,500.00	(17,000.00)	1,744,500.00	1,720,481.51	24,018.49
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisor of Instruction	380,000.00	59,100.62	439,100.62	439,100.62	
Salaries of Secretarial and Clerical Assistants	45,000.00	300.00	45,300.00	45,296.88	3.12
Other Salaries	104,000.00	(8,420.62)	95,579.38	94,576.94	1,002.44
Total Undistributed Expenditures - Improvement of Instruction Services	529,000.00	50,980.00	579,980.00	578,974.44	1,005.56
Undistributed Expend. - Educational Media Services / Sch Library:					
Salaries	388,000.00		388,000.00	387,812.00	188.00
Salaries of Technology Coordinators	215,000.00	(8,715.00)	206,285.00	197,113.20	9,171.80
Purchased Professional and Technical Services	4,500.00	(650.00)	3,850.00	1,543.90	2,306.10
Other Purchased Services	8,000.00	(181.16)	7,818.84	7,510.32	308.52
Supplies and Materials	18,700.00	241.16	18,941.16	15,395.25	3,545.91
Total Undistributed Expend. - Educational Media Services / Sch Library	634,200.00	(9,305.00)	624,895.00	609,374.67	15,520.33
Undistributed Expenditures - Instructional Staff Training Services:					
Purchased Professional-Education services	6,855.00	(300.00)	6,555.00	4,674.00	1,881.00
Other Purchased Services	19,500.00		19,500.00	12,251.80	7,248.20
Total Undistributed Expenditures - Instructional Staff Training Services	26,355.00	(300.00)	26,055.00	16,925.80	9,129.20

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 339,000.00	\$ (5,000.00)	\$ 334,000.00	\$ 328,503.18	\$ 5,496.82
Legal Services	100,000.00	40,842.50	140,842.50	140,842.50	
Audit Fees	44,000.00	5,000.00	49,000.00	49,000.00	
Architect/Engineer Fees	30,000.00	(30,000.00)			
Other Purchased Professional Services	4,500.00		4,500.00	501.10	3,998.90
Communications / Telephone	230,000.00	(30,611.00)	199,389.00	176,928.88	22,460.12
BOE Other Purchased Services	8,500.00		8,500.00	5,523.67	2,976.33
Miscellaneous Other Purchased Services	86,060.00	(8,697.33)	77,362.67	77,362.67	
General Supplies	10,000.00	4,701.66	14,701.66	14,701.66	
Miscellaneous Expenditures	5,000.00	2,258.15	7,258.15	6,756.00	502.15
BOE Membership Dues and Fees	26,000.00	2,945.00	28,945.00	28,945.00	
Total Undistributed Expenditures - Support Services - General Admin	883,060.00	(18,561.02)	864,498.98	829,064.66	35,434.32
Undistributed Expenditures - Support Services - School Admin:					
Salaries of Principals / Assistant Principals / Program Directors	1,625,000.00		1,625,000.00	1,382,009.99	242,990.01
Salaries of Secretarial and Clerical Assistants	760,000.00		760,000.00	713,774.23	46,225.77
Other Purchased Services	5,000.00	(500.00)	4,500.00	500.00	4,000.00
Supplies and Materials	14,450.00		14,450.00	7,724.71	6,725.29
Other Objects	38,853.98		38,853.98	35,590.30	3,263.68
Total Undistributed Expenditures - Support Services - School Admin.	2,443,303.98	(500.00)	2,442,803.98	2,139,599.23	303,204.75
Undistributed Expenditures - Central Services:					
Salaries	604,000.00		604,000.00	509,604.99	94,395.01
Purchased Technical Services	17,500.00		17,500.00	17,063.36	436.64
Miscellaneous Purchased Services	39,750.00	(1,521.80)	38,228.20	33,247.00	4,981.20
Supplies and Materials	10,000.00		10,000.00	9,684.00	316.00
Miscellaneous Expenditures	9,000.00	5,488.10	14,488.10	14,488.10	
Total Undistributed Expenditures - Central Services	680,250.00	3,966.30	684,216.30	584,087.45	100,128.85

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Undistributed Expenditures - Admin. Info. Technology:					
Salaries	\$ 338,000.00	\$ 2,810.00	\$ 340,810.00	\$ 340,803.06	\$ 6.94
Purchased Technical Services	253,000.00	(2,060.00)	250,940.00	227,525.04	23,414.96
Other Purchased Services	47,475.32	(4,954.10)	42,521.22	40,428.17	2,093.05
Supplies and Materials	21,000.00	237.80	21,237.80	19,789.62	1,448.18
Total Undistributed Expenditures - Admin. Info. Technology	659,475.32	(3,966.30)	655,509.02	628,545.89	26,963.13
Undistributed Expenditures - Required Maintenance for Sch Facilities:					
Salaries	690,500.00	7,148.61	697,648.61	693,998.17	3,650.44
Cleaning, Repair and Maintenance Services	230,515.84		230,515.84	198,650.31	31,865.53
General Supplies	261,751.49	(4,594.17)	257,157.32	141,380.58	115,776.74
Total Undistributed Expenditures - Required Maintenance for Sch Facilities	1,182,767.33	2,554.44	1,185,321.77	1,034,029.06	151,292.71
Undistributed Expenditures - Custodial Services:					
Salaries	2,176,000.00	11,397.88	2,187,397.88	2,186,872.55	525.33
Salaries of Non-Instructional Aides	410,000.00	41,160.00	451,160.00	449,473.85	1,686.15
Cleaning, Repair and Maintenance Services	203,085.80	(26,322.75)	176,763.05	122,803.31	53,959.74
Other Purchased Property Services	85,000.00	705.70	85,705.70	85,705.70	
Insurance	282,000.00		282,000.00	281,347.00	653.00
General Supplies	185,635.56	15,110.49	200,746.05	176,163.46	24,582.59
Energy (Natural Gas)	300,000.00	(9,770.02)	290,229.98	290,229.98	
Energy (Electricity)	1,069,068.33	(4,450.00)	1,064,618.33	1,054,846.29	9,772.04
Other Objects	7,500.00		7,500.00	5,149.18	2,350.82
Total Undistributed Expenditures - Custodial Services	4,718,289.69	27,831.30	4,746,120.99	4,652,591.32	93,529.67
Undistributed Expenditures - Care & Upkeep of Grounds:					
Salaries	350,000.00	(5,032.23)	344,967.77	344,967.77	
Cleaning, Repair, and Maintenance Services	21,440.50		21,440.50	21,376.64	63.86
General Supplies	52,327.32		52,327.32	45,859.23	6,468.09
Total Undistributed Expenditures - Care & Upkeep Grounds	423,767.82	(5,032.23)	418,735.59	412,203.64	6,531.95

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Undistributed Expenditures - Security Services:					
Security Salaries	\$ 456,000.00	\$ 61,884.00	\$ 517,884.00	\$ 512,084.63	\$ 5,799.37
Cleaning, Repair, and Maintenance Services	30,000.00		30,000.00	16,540.15	13,459.85
General Supplies	15,000.00		15,000.00	6,998.90	8,001.10
Total Undistributed Expenditures - Security Services	501,000.00	61,884.00	562,884.00	535,623.68	27,260.32
Total Undistributed Expenditures - Operations and Maintenance of Plant Services	6,825,824.84	87,237.51	6,913,062.35	6,634,447.70	278,614.65
Undistributed Expenditures - Student Transportation Services:					
Salaries for Non-Instructional Aides	560,000.00	(105,110.49)	454,889.51	454,889.51	
Sal for Pupil Trans (Bet Home & Sch) - Reg.	1,313,000.00	(461,286.90)	851,713.10	809,847.26	41,865.84
Sal for Pupil Trans (Bet Home & Sch) - Sp Ed	400,000.00	545,253.00	945,253.00	915,685.31	29,567.69
Sal for Pupil Trans (Other than Bet. Home & Sch)	75,000.00	(6,131.55)	68,868.45	66,487.31	2,381.14
Other Purchased Professional and Technical Services	65,000.00		65,000.00	15,461.64	49,538.36
Cleaning, Repair and Maintenance Services	80,000.00		80,000.00	25,147.22	54,852.78
Contracted Services - Aid in Lieu of Payments - NonPub Sch	200,000.00	2,818.64	202,818.64	202,351.64	467.00
Contracted Services - (Between Home and School) - Vendors	1,250,000.00	328,520.30	1,578,520.30	1,578,520.30	
Contracted Services - (Other than Bet Home & Sch) - Vendors	20,000.00		20,000.00	7,400.00	12,600.00
Contracted Services - (Special Education) - Joint Agreement	200,000.00	869,952.25	1,069,952.25	979,935.34	90,016.91
Miscellaneous Purchased Services - Transportation	42,500.00	2,363.22	44,863.22	43,935.58	927.64
General Supplies	278,455.05	8,176.59	286,631.64	286,594.80	36.84
Miscellaneous Expenditures	15,000.00		15,000.00	9,399.86	5,600.14
Total Undistributed Expenditures - Student Transportation Services	4,498,955.05	1,184,555.06	5,683,510.11	5,395,655.77	287,854.34

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd)					
Unallocated Benefits:					
Social Security Contributions	\$ 1,039,000.00	\$ 158,481.17	\$ 1,197,481.17	\$ 1,193,797.37	\$ 3,683.80
Other Retirement Contributions - PERS	1,487,000.00	177,014.87	1,664,014.87	1,659,703.95	4,310.92
Other Retirement Contributions - Regular	100,000.00	(58,219.74)	41,780.26	41,780.26	
Unemployment Compensation	25,000.00	55,205.00	80,205.00		80,205.00
Worker's Compensation	445,000.00	(3,510.47)	441,489.53	441,489.53	
Health Benefits	10,084,000.00	91,758.08	10,175,758.08	10,175,758.08	
Tuition Reimbursement	25,000.00	(2,993.00)	22,007.00	22,007.00	
Other Employee Benefits	20,000.00	(13,359.10)	6,640.90	6,640.90	
Unused Sick Payment to Terminated/Retired Staff	90,000.00	31,899.13	121,899.13	121,899.13	
Total Unallocated Benefits	13,315,000.00	436,275.94	13,751,275.94	13,663,076.22	88,199.72
On-behalf Contributions					
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				11,379,907.00	(11,379,907.00)
On-behalf T.P.A.F. Non contributory Insurance (non-budgeted)				129,782.00	(129,782.00)
On-behalf T.P.A.F. Long-Term Disability Insurance (non-budgeted)				3,941.00	(3,941.00)
On-Behalf T.P.A.F. Post Retirement Pension Contributions (non-budgeted)				3,132,516.00	(3,132,516.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				2,493,952.15	(2,493,952.15)
Total On-behalf Contributions	-	-	-	17,140,098.15	(17,140,098.15)
Total Undistributed Expenditures	44,296,173.19	1,920,406.75	46,216,579.94	60,867,019.74	(14,650,439.80)
Total Current Expense	77,688,046.38	1,600,000.00	79,288,045.94	93,144,281.01	(13,856,235.12)

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Capital Outlay:					
Equipment:					
School-Sponsored and Other Instructional Programs	\$ 26,685.50		\$ 26,685.50	\$ 26,685.50	
Undistributed Expenditures:					
Custodial Services	16,000.00		16,000.00	7,445.00	\$ 8,555.00
Care and Upkeep of Grounds	80,000.00		80,000.00	71,463.75	8,536.25
Security	72,000.00		72,000.00	19,843.92	52,156.08
Transportation		\$ 63,316.26	63,316.26	51,772.00	11,544.26
School Buses- Regular	511,316.26	(63,316.26)	448,000.00		448,000.00
School Buses- Special	100,000.00		100,000.00		100,000.00
Total Equipment	806,001.76	-	806,001.76	177,210.17	628,791.59
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	816,350.00	(414,500.00)	401,850.00	177,850.96	223,999.04
Other Purchased Professional and Technical Services	100,000.00		100,000.00	3,245.00	96,755.00
Construction Services	4,338,400.00	(1,198,550.00)	3,139,850.00	686,388.13	2,453,461.87
Supplies & Materials		13,050.00	13,050.00	13,050.00	
Assessment for Debt Service on SDA Funding	162,625.10		162,625.10	147,841.00	14,784.10
Total Facilities Acquisition and Construction Services	5,417,375.10	(1,600,000.00)	3,817,375.10	1,028,375.09	2,789,000.01
Interest Deposit to Capital Reserve	2,500.00	-	2,500.00	-	2,500.00
Total assets acquired under Leases (Non-Budgeted)	-	-	-	389,633.56	(389,633.56)
Total assets acquired under SBITA's (Non-Budgeted)	-	-	-	1,039,605.29	(1,039,605.29)
Total Capital Outlay	6,225,876.86	(1,600,000.00)	4,625,876.86	2,634,824.11	1,991,052.75
Transfer of Funds to Charter Schools	295,477.00	-	295,477.00	245,976.00	49,501.00
Total Expenditures	84,209,400.24	-	84,209,400.24	96,025,081.12	(11,815,680.88)

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (6,485,154.24)	\$ -	\$ (6,485,154.24)	\$ 664,188.42	\$ 7,149,342.66
Other Financing Sources (Uses):					
Total assets acquired under Leases				389,633.56	(389,633.56)
Total assets acquired under SBITA's				1,039,605.29	(1,039,605.29)
Operating Transfer Out - Food Service Fund Transfer to Cover Deficit	(25,000.00)		(25,000.00)		(25,000.00)
Total Other Financing Sources (Uses)	(25,000.00)	-	(25,000.00)	1,429,238.85	(1,454,238.85)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(6,510,154.24)	-	(6,510,154.24)	2,093,427.27	8,603,581.51
Fund Balances, July 1	20,981,129.06	-	20,981,129.06	20,981,129.06	-
Fund Balances, June 30	\$ 14,470,974.82	\$ -	\$ 14,470,974.82	\$ 23,074,556.33	\$ 8,603,581.51
Recapitulation:					
Restricted:					
Capital Reserve				\$ 5,852,794.00	
Excess Surplus				5,379,797.25	
Excess Surplus - Designated for Subsequent Year's Expenditures				5,866,184.87	
Unemployment Compensation				771,593.62	
Assigned:					
Year-End Encumbrances				2,622,304.58	
Designated for Subsequent Year's Expenditures				408,135.13	
Unassigned				2,173,746.88	
				23,074,556.33	
Reconciliation to Governmental Funds Statements (GAAP):					
Fiscal Year 2024 Last State Aid Payments not Recognized on GAAP Basis				(2,877,315.28)	
Fund Balance per Governmental Funds (GAAP)				\$ 20,197,241.05	

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Federal Sources	\$ 3,322,812.00	\$ 420,851.60	\$ 3,743,663.60	\$ 3,249,650.76	\$ (494,012.84)
State Sources	3,857,928.00	117,207.49	3,975,135.49	3,502,898.92	(472,236.57)
Local Sources	407,500.00	429,718.99	837,218.99	835,981.48	(1,237.51)
Total Revenues	<u>7,588,240.00</u>	<u>967,778.08</u>	<u>8,556,018.08</u>	<u>7,588,531.16</u>	<u>(967,486.92)</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	2,077,800.00	113,436.56	2,191,236.56	2,040,624.33	150,612.23
Other Salaries	613,525.00	36,561.00	650,086.00	649,980.12	105.88
Purchased Services	267,490.00	118,772.00	386,262.00	372,546.16	13,715.84
Tuition	1,243,349.00	65,600.00	1,308,949.00	1,308,009.00	940.00
Supplies and Materials	390,840.00	(94,391.33)	296,448.67	162,010.19	134,438.48
Other Objects		9,980.17	9,980.17	9,980.17	
Total Instruction	<u>4,593,004.00</u>	<u>249,958.40</u>	<u>4,842,962.40</u>	<u>4,543,149.97</u>	<u>299,812.43</u>
Support Services:					
Salaries	485,494.00	49,133.67	534,627.67	405,306.64	129,321.03
Other Salaries	203,121.00	(30,260.00)	172,861.00	70,472.20	102,388.80
Salaries of Master Teachers	78,645.00		78,645.00	78,645.00	
Personal Services - Employee Benefits	1,092,614.00	(32,173.67)	1,060,440.33	708,205.32	352,235.01
Purchased Technical Services	252,458.00	240,000.00	492,458.00	491,045.49	1,412.51
Other Purchased Services	71,500.00		71,500.00	17,687.48	53,812.52
Supplies and Materials	132,246.00	115,813.91	248,059.91	189,824.05	58,235.86
Student Activities	400,000.00	217,053.77	617,053.77	554,650.64	62,403.13
Scholarships Awarded	7,500.00	41,058.00	48,558.00	48,558.00	
Total Support Services	<u>2,723,578.00</u>	<u>600,625.68</u>	<u>3,324,203.68</u>	<u>2,564,394.82</u>	<u>759,808.86</u>
Facilities Acquisition & Construction Services:					
Building	271,658.00	99,494.00	371,152.00	371,152.00	
Non-Instructional Equipment		17,700.00	17,700.00	17,700.00	
Total Facilities Acquisition & Construction Services:	<u>271,658.00</u>	<u>117,194.00</u>	<u>388,852.00</u>	<u>388,852.00</u>	<u>-</u>
Total Expenditures	<u>7,588,240.00</u>	<u>967,778.08</u>	<u>8,556,018.08</u>	<u>7,496,396.79</u>	<u>1,059,621.29</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures (Carried Forward)	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,134.37</u>	<u>92,134.37</u>
Fund Balance, July 1	<u>472,515.53</u>	<u>-</u>	<u>472,515.53</u>	<u>472,515.53</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 472,515.53</u>	<u>\$ -</u>	<u>\$ 472,515.53</u>	<u>\$ 564,649.90</u>	<u>\$ 92,134.37</u>
Recapitulation:					
Restricted:					
Scholarship				\$ 82,269.13	
Student Activities				451,553.53	
Chromebook Fines				30,827.24	
Total Fund Balance				<u>564,649.90</u>	
Reconciliation to Governmental Fund Statements (GAAP):					
Fiscal Year 2024 - 19th & 20th State Aid Payments not Recognized on GAAP Basis			\$ (367,576.72)		
2023-24 Carryover - Preschool Education Aid Programs			<u>1,325,664.70</u>		
				<u>958,087.98</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,522,737.88</u>	

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

For the Fiscal Year Ended June 30, 2024

Note A - Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures.

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 96,689,269.54	\$ 7,588,531.16
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		36,166.00
The Restricted State Aids recorded in the Special Revenue Fund are realized utilizing the budgetary basis which dictates that revenue must equal expenditures and differs from GAAP which recognizes the revenue once the eligibility criteria are met as specified in Note 1 and GASB 33.		454,262.08
The last two prior year State aid payments were recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense.	2,565,350.96	297,574.04
The last two current year State aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense.	<u>(2,877,315.28)</u>	<u>(367,576.72)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 96,377,305.22</u>	<u>\$ 8,008,956.56</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 96,025,081.12	\$ 7,496,396.79
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.		<u>36,166.00</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 96,025,081.12</u>	<u>\$ 7,532,562.79</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Plan Years

	Measurement Date Ending June 30,				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
School District's Proportion of the Net Pension Liability	0.1230936361%	0.1194335167%	0.1266271416%	0.1260132136%	0.1359886509%
School District's Proportionate Share of the Net Pension Liability	\$ 17,829,343	\$ 18,024,162	\$ 15,000,883	\$ 20,549,460	\$ 24,503,092
School District's Covered Payroll (Plan Measurement Period)	\$ 10,219,856	\$ 9,678,124	\$ 10,153,780	\$ 10,026,724	\$ 10,625,232
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	174.46%	186.24%	147.74%	204.95%	230.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.23%	62.91%	70.33%	58.32%	56.27%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's Proportion of the Net Pension Liability	0.1430402146%	0.1490986763%	0.1422886451%	0.1357273274%	0.1306388697%
School District's Proportionate Share of the Net Pension Liability	\$ 28,163,905	\$ 34,707,789	\$ 42,141,815	\$ 30,468,065	\$ 24,459,169
School District's Covered Payroll (Plan Measurement Period)	\$ 10,953,496	\$ 11,104,628	\$ 10,556,844	\$ 9,323,724	\$ 9,804,780
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	257.12%	312.55%	399.19%	326.78%	249.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.60%	48.10%	40.14%	47.93%	52.08%

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 1,645,181	\$ 1,645,181	\$ 1,506,114	\$ 1,482,951	\$ 1,378,523
Contributions in Relation to the Contractually Required Contribution	<u>(1,645,181)</u>	<u>(1,645,181)</u>	<u>(1,506,114)</u>	<u>(1,482,951)</u>	<u>(1,378,523)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 11,019,449	\$ 9,356,869	\$ 9,050,180	\$ 8,889,829	\$ 9,334,550
Contributions as a Percentage of School District's Covered Payroll	14.93%	17.58%	16.64%	16.68%	14.77%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 1,322,769	\$ 1,422,788	\$ 1,381,240	\$ 1,264,072	\$ 1,166,891
Contributions in Relation to the Contractually Required Contribution	<u>(1,322,769)</u>	<u>(1,422,788)</u>	<u>(1,381,240)</u>	<u>(1,264,072)</u>	<u>(1,166,891)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 9,220,814	\$ 9,552,482	\$ 9,866,195	\$ 9,815,164	\$ 9,365,869
Contributions as a Percentage of School District's Covered Payroll	14.35%	14.89%	14.00%	12.88%	12.46%

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Plan Years

	Measurement Date Ending June 30,				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>138,233,160</u>	<u>140,417,928</u>	<u>129,437,737</u>	<u>168,631,928</u>	<u>166,387,884</u>
	<u>\$ 138,233,160</u>	<u>\$ 140,417,928</u>	<u>\$ 129,437,737</u>	<u>\$ 168,631,928</u>	<u>\$ 166,387,884</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 37,387,448	\$ 36,755,208	\$ 36,194,436	\$ 35,119,680	\$ 32,505,624
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	369.73%	382.04%	357.62%	480.16%	511.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.68%	32.29%	35.52%	24.60%	26.95%

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Plan Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>178,407,427</u>	<u>183,982,727</u>	<u>211,608,201</u>	<u>166,634,271</u>	<u>150,528,448</u>
	<u>\$ 178,407,427</u>	<u>\$ 183,982,727</u>	<u>\$ 211,608,201</u>	<u>\$ 166,634,271</u>	<u>\$ 150,528,448</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 34,052,100	\$ 34,083,908	\$ 32,892,216	\$ 31,988,592	\$ 31,137,396
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	523.92%	539.79%	643.34%	520.92%	483.43%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	26.49%	25.41%	22.33%	28.71%	33.64%

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Required Supplementary Information
Schedule of School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable.

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

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

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2024

Teachers' Pension and Annuity Fund (TPAF)

Changes of Benefit Terms -

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Changes of Assumptions -

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	4.86%
2022	7.00%	2017	4.25%
2021	7.00%	2016	3.22%
2020	5.40%	2015	4.13%
2019	5.60%	2014	4.68%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	7.00%
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2024

Public Employees' Retirement System (PERS)

Changes of Benefit Terms -

The Division of Pensions and Benefits adopted a new policy regarding the crediting of interest on member contributions for the purpose of refund of accumulated deductions. Previously, after termination of employment, but prior to retirement or death, interest was credited on member accumulated deductions at the valuation interest rate for the entire period. Effective July 1, 2018, interest is only credited at the valuation interest rate for the first two years of inactivity prior to retirement or death.

Changes of Assumptions -

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	5.66%
2022	7.00%	2017	5.00%
2021	7.00%	2016	3.98%
2020	7.00%	2015	4.90%
2019	6.28%	2014	5.39%

The long-term expected rate of return used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	7.00%	2018	7.00%
2022	7.00%	2017	7.00%
2021	7.00%	2016	7.65%
2020	7.00%	2015	7.90%
2019	7.00%	2014	7.90%

**REQUIRED SUPPLEMENTARY INFORMATION
PART IV**

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
 Last Seven Plan Years

	Measurement Date Ending June 30,			
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District				
Changes for the Year:				
Service Cost	\$ 6,157,750	\$ 8,140,337	\$ 9,278,564	\$ 5,364,696
Interest Cost	5,658,441	4,091,431	4,859,199	4,649,926
Changes in Benefit Terms			(199,376)	
Difference Between Expected and Actual Experience	(1,595,925)	176,875	(32,748,187)	35,630,245
Changes in Assumptions	323,835	(41,415,749)	184,802	38,295,015
Gross Benefit Payments	145,006	130,012	(3,827,688)	(3,649,754)
Member Contributions	<u>(4,410,847)</u>	<u>(4,052,683)</u>	<u>124,226</u>	<u>110,624</u>
Net Change in Total Non-Employer OPEB Liability	6,278,260	(32,929,777)	(22,328,460)	80,400,752
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	<u>154,387,190</u>	<u>187,316,967</u>	<u>209,645,427</u>	<u>129,244,675</u>
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 160,665,450</u>	<u>\$ 154,387,190</u>	<u>\$ 187,316,967</u>	<u>\$ 209,645,427</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 41,983,280</u>	<u>\$ 40,373,946</u>	<u>\$ 39,762,521</u>	<u>\$ 39,864,766</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	382.69%	382.39%	471.09%	525.89%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

(Continued)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of Changes in the School District's Total OPEB Liability and Related Ratios
 Last Seven Plan Years

	Measurement Date Ending June 30,		
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total Non-Employer OPEB Liability - State's Proportionate Share of the Total OPEB Liability Associated with the School District			
Changes for the Year:			
Service Cost	\$ 5,649,112	\$ 6,289,193	\$ 7,584,372
Interest Cost	5,801,189	6,236,729	5,386,251
Changes in Benefit Terms			
Difference Between Expected and Actual Experience	(26,441,899)	(15,612,346)	
Changes in Assumptions	1,927,049	(16,772,482)	(22,679,135)
Gross Benefit Payments	(3,967,426)	(3,908,241)	(3,932,723)
Member Contributions	<u>117,606</u>	<u>135,075</u>	<u>144,813</u>
Net Change in Total Non-Employer OPEB Liability	(16,914,369)	(23,632,072)	(13,496,422)
Total Non-Employer OPEB Liability - Beginning of Fiscal Year	<u>146,159,044</u>	<u>169,791,116</u>	<u>183,287,538</u>
Total Non-Employer OPEB Liability - End of Fiscal Year	<u>\$ 129,244,675</u>	<u>\$ 146,159,044</u>	<u>\$ 169,791,116</u>
School District's Covered Payroll (Plan Measurement Period)	<u>\$ 38,642,227</u>	<u>\$ 37,214,730</u>	<u>\$ 38,630,257</u>
State's Proportionate Share of the Total Non-Employer OPEB Liability Associated with the School District as a Percentage of Covered Payroll	334.46%	392.75%	439.53%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Notes to Required Supplementary Information - Part IV
For the Fiscal Year Ended June 30, 2024

Changes in Benefit Terms:

None

Changes in Assumptions:

The discount rate used as of June 30 measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2023	3.65%	2019	3.50%
2022	3.54%	2018	3.87%
2021	2.16%	2017	3.58%
2020	2.21%		

In addition to changes in the discount rate, other factors that affected the valuation of the net OPEB liability included update in trend and experience study.

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 14.80% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For HMO, the trend is increasing to 17.40% in fiscal year 2026 and decreases to 4.50% in fiscal year 2033. For prescription drug benefits, the initial trend rate is 9.50% and decreases to a 4.50% long-term trend rate after seven years. For the Medicare Part B reimbursement, the trend is 5.00%.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

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

		Elementary and Secondary Education Act - ESEA					I.D.E.A. Part B,		Total Brought Forward
	<u>Total</u>	<u>Title I Part A</u>	<u>Title II Part A</u>	<u>Title III</u>	<u>Title III Immigrant</u>	<u>Title IV</u>	<u>Basic</u>	<u>Preschool Incentive</u>	
REVENUES:									
Federal Sources	\$ 3,249,650.76	\$ 730,709.00	\$ 121,492.00	\$ 15,896.00	\$ 558.00	\$ 46,889.00	\$ 1,202,673.00	\$ 40,676.00	\$ 1,090,757.76
State Sources	3,502,898.92								3,502,898.92
Local Sources	835,981.48								835,981.48
Total Revenues	<u>\$ 7,588,531.16</u>	<u>\$ 730,709.00</u>	<u>\$ 121,492.00</u>	<u>\$ 15,896.00</u>	<u>\$ 558.00</u>	<u>\$ 46,889.00</u>	<u>\$ 1,202,673.00</u>	<u>\$ 40,676.00</u>	<u>\$ 5,429,638.16</u>
EXPENDITURES:									
Instruction:									
Salaries of Teachers	\$ 2,040,624.33	\$ 544,706.83	\$ 1,200.00	\$ 2,877.50		\$ 10,000.00			\$ 1,481,840.00
Other Salaries	649,980.12								649,980.12
Purchased Services	372,546.16	37,728.80		5,000.00		36,450.00			293,367.36
Tuition	1,308,009.00						\$ 1,202,673.00	\$ 40,676.00	64,660.00
Supplies and Materials	162,010.19	21,105.20	44,200.00	4,792.05		220.00			91,692.94
Other Objects	9,980.17								9,980.17
Total Instruction	<u>4,543,149.97</u>	<u>603,540.83</u>	<u>45,400.00</u>	<u>12,669.55</u>	<u>\$ -</u>	<u>46,670.00</u>	<u>1,202,673.00</u>	<u>40,676.00</u>	<u>2,591,520.59</u>
Support Services:									
Salaries	405,306.64	45,267.01	6,631.45						353,408.18
Other Salaries	70,472.20								70,472.20
Salaries of Master Teachers	78,645.00								78,645.00
Employee Benefits	708,205.32	13,565.16			558.00				694,082.16
Purchased Technical Services	491,045.49	3,120.18	69,460.55			219.00			418,245.76
Other Purchased Services	17,687.48			3,039.48					14,648
Supplies and Materials	189,824.05	65,215.82		186.97					124,421.26
Scholarships Awarded	48,558.00								48,558.00
Student Activities	554,650.64								554,650.64
Total Support Services	<u>2,564,394.82</u>	<u>127,168.17</u>	<u>76,092.00</u>	<u>3,226.45</u>	<u>558.00</u>	<u>219.00</u>	<u>-</u>	<u>-</u>	<u>2,357,131.20</u>
Facilities Acquisition and Construction Services:									
Building	371,152.00								371,152.00
Non-Instructional Equipment	17,700.00								17,700.00
Total Facilities Acquisition and Construction Services	<u>388,852.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>388,852.00</u>
Total Expenditures	<u>7,496,396.79</u>	<u>730,709.00</u>	<u>121,492.00</u>	<u>15,896.00</u>	<u>558.00</u>	<u>46,889.00</u>	<u>1,202,673.00</u>	<u>40,676.00</u>	<u>5,337,503.79</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures									
	92,134.37	-	-	-	-	-	-	-	92,134.37
Fund Balance, July 1	<u>472,515.53</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>472,515.53</u>
Fund Balance, June 30	\$ 564,649.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 564,649.90

(Continued)

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

	Total Carried Forward		American Rescue Plan Act of 2021						Total Brought Forward
		ACSERS	ESSER III	Accelerated Learning	Summer	Afterschool	Mental Health	Homeless	
REVENUES:									
Federal Sources	\$ 1,090,757.76	\$ 343,086.76	\$ 308,522.00	\$ 260,367.00	\$ 35,000.00	\$ 40,000.00	\$ 45,000.00	\$ 43,199.00	\$ 15,583.00
State Sources	3,502,898.92								3,502,898.92
Local Sources	835,981.48								835,981.48
Total Revenues	\$ 5,429,638.16	\$ 343,086.76	\$ 308,522.00	\$ 260,367.00	\$ 35,000.00	\$ 40,000.00	\$ 45,000.00	\$ 43,199.00	\$ 4,354,463.40
EXPENDITURES:									
Instruction:									
Salaries of Teachers	\$ 1,481,840.00		\$ 8,985.00			\$ 40,000.00			\$ 1,432,855.00
Other Salaries	649,980.12								649,980.12
Purchased Services	293,367.36			\$ 218,131.35	\$ 32,534.00		\$ 26,950.00		15,752.01
Tuition	64,660.00	\$ 64,660.00							
Supplies and Materials	91,692.94		8,701.22	42,235.65	2,466.00				38,290.07
Other Objects	9,980.17								9,980.17
Total Instruction	2,591,520.59	64,660.00	17,686.22	260,367.00	35,000.00	40,000.00	26,950.00	\$ -	2,146,857.37
Support Services:									
Salaries	353,408.18								353,408.18
Other Salaries	70,472.20								70,472.20
Salaries of Master Teachers	78,645.00								78,645.00
Employee Benefits	694,082.16								694,082.16
Purchased Technical Services	418,245.76	278,426.76					18,050.00		121,769.00
Other Purchased Services	14,648.00								14,648.00
Supplies and Materials	124,421.26		19,177.78					43,199.00	62,044.48
Scholarships Awarded	48,558.00								48,558.00
Student Activities	554,650.64								554,650.64
Total Support Services	2,357,131.20	278,426.76	19,177.78	-	-	-	18,050.00	43,199.00	1,998,277.66
Facilities Acquisition and Construction Services:									
Building	371,152.00		271,658.00						99,494.00
Instructional Equipment	17,700.00								17,700.00
Total Facilities Acquisition and Construction Services	388,852.00	-	271,658.00	-	-	-	-	-	117,194.00
Total Expenditures	5,337,503.79	343,086.76	308,522.00	260,367.00	35,000.00	40,000.00	45,000.00	43,199.00	4,262,329.03
Excess (Deficiency) of Revenues Over (Under) Expenditures	92,134.37	-	-	-	-	-	-	-	92,134.37
Fund Balance, July 1	472,515.53	-	-	-	-	-	-	-	472,515.53
Fund Balance, June 30	\$ 564,649.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 564,649.90

(Continued)

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

	Total Carried Forward	Carl D. Perkins Grant	Preschool Education Aid	Climate Awareness	SDA	Scholarship Fund	Student Activity Fund	Chromebook	ROTC
REVENUES:									
Federal Sources	\$ 15,583.00	\$ 15,583.00							
State Sources	3,502,898.92		\$ 3,396,952.92	\$ 6,452.00	\$ 99,494.00				
Local Sources	835,981.48					\$ 47,462.00	\$ 617,053.77	\$ 70,366.91	\$ 101,098.80
Total Revenues	\$ 4,354,463.40	\$ 15,583.00	\$ 3,396,952.92	\$ 6,452.00	\$ 99,494.00	\$ 47,462.00	\$ 617,053.77	\$ 70,366.91	\$ 101,098.80
EXPENDITURES:									
Instruction:									
Salaries of Teachers	\$ 1,432,855.00		\$ 1,369,446.44						\$ 63,408.56
Other Salaries	649,980.12	\$ 3,500.00	646,480.12						
Purchased Services	15,752.01	2,490.00	13,262.01						
Tuition									
Supplies and Materials	38,290.07	1,343.00	2,785.00	\$ 6,452.00					27,710.07
Other Objects	9,980.17								9,980.17
Total Instruction	2,146,857.37	7,333.00	2,031,973.57	6,452.00	\$ -	\$ -	\$ -	\$ -	101,098.80
Support Services:									
Salaries	353,408.18	1,750.00	351,658.18						
Other Salaries	70,472.20		70,472.20						
Salaries of Master Teachers	78,645.00		78,645.00						
Employee Benefits	694,082.16		694,082.16						
Purchased Technical Services	121,769.00		121,769.00						
Other Purchased Services	14,648.00	6,500.00	8,148.00						
Supplies and Materials	62,044.48		22,504.81					39,539.67	
Scholarships Awarded	48,558.00					48,558.00			
Student Activities	554,650.64						554,650.64		
Total Support Services	1,998,277.66	8,250.00	1,347,279.35	-	-	48,558.00	554,650.64	39,539.67	-
Facilities Acquisition and Construction Services:									
Building	99,494.00				99,494.00				
Instructional Equipment	17,700.00		17,700.00						
Total Facilities Acquisition and Construction Services	117,194.00	-	17,700.00	-	99,494.00	-	-	-	-
Total Expenditures	4,262,329.03	15,583.00	3,396,952.92	6,452.00	99,494.00	48,558.00	554,650.64	39,539.67	101,098.80
Excess (Deficiency) of Revenues Over (Under) Expenditures	92,134.37	-	-			(1,096.00)	62,403.13	30,827.24	-
Fund Balance, July 1	472,515.53	-	-	-	-	83,365.13	389,150.40	-	-
Fund Balance, June 30	\$ 564,649.90	\$ -	\$ -	\$ -	\$ -	\$ 82,269.13	\$ 451,553.53	\$ 30,827.24	-

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:					
Instruction					
Salaries of Teachers	\$ 1,319,419.00	\$ 50,028.00	\$ 1,369,447.00	\$ 1,369,446.44	\$ 0.56
Other Salaries for Instruction	609,925.00	36,561.00	646,486.00	646,480.12	5.88
Purchased Professional Educational Services	45,000.00	(31,228.00)	13,772.00	13,262.01	509.99
Supplies and Materials	45,000.00	(42,047.51)	2,952.49	2,785.00	167.49
Support Services:					
Salaries of Program Directors	190,560.00	12,585.67	203,145.67	164,988.14	38,157.53
Salaries of Other Professional Staff	71,499.00	36,548.00	108,047.00	108,038.22	8.78
Salaries of Secretarial and Clerical Assistants	87,685.00		87,685.00	78,631.82	9,053.18
Other Salaries	106,260.00	(30,260.00)	76,000.00	69,680.22	6,319.78
Salaries of Community Parent Involvement Specialists	43,373.00		43,373.00	791.98	42,581.02
Salaries of Master Teachers	78,645.00		78,645.00	78,645.00	
Employee Benefits	1,030,895.00	(32,173.67)	998,721.33	694,082.16	304,639.17
Purchased Technical Services	133,215.00		133,215.00	121,769.00	11,446.00
Other Purchased Services	50,000.00		50,000.00	8,148.00	41,852.00
Supplies and Materials	40,000.00		40,000.00	22,504.81	17,495.19
Facilities Acquisition and Construction Services:					
Construction Services	-	17,700.00	17,700.00	17,700.00	-
Total Expenditures	<u>\$ 3,851,476.00</u>	<u>\$ 17,713.49</u>	<u>\$ 3,869,189.49</u>	<u>\$ 3,396,952.92</u>	<u>\$ 472,236.57</u>

Calculation of Budget and Carryover

Total Revised 2023-24 Preschool Education Aid Allocation	\$ 3,851,215.00
Add: Actual Preschool Education Aid Carryover (June 30, 2023)	871,402.62
Add: Budgeted Transfer from the General Fund	
Total Preschool Education Aid Funds Available for 2023-24 Budget	4,722,617.62
Less: 2023-24 Budgeted Preschool Education Aid (Including Prior Year Budgeted Carryover)	<u>(3,869,189.49)</u>
Available and Unbudgeted Preschool Education Aid Funds as of June 30, 2024	853,428.13
Add: June 30, 2024 Unexpended Preschool Education Aid	<u>472,236.57</u>
2022-2023 Carryover -- Preschool Education Aid	<u>\$ 1,325,664.70</u>
2023-2024 Preschool Education Aid Carryover Budgeted in 2024-2025	\$ 871,142.00
2023-2024 Preschool Education Aid Available for 2025-2026	<u>454,522.70</u>
2023-2024 Preschool Education Aid Carryover Budgeted and Available	<u>\$ 1,325,664.70</u>

CAPITAL PROJECTS FUND

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 June 30, 2024

<u>Project Title / Issue</u>	<u>Approval Date</u>	<u>Revised Budgetary Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Appropriations June 30, 2024</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Spartan Improvement Plan	1/28/2020	<u>\$ 37,868,467.86</u>	<u>\$ 34,802,699.36</u>	<u>\$ 1,619,238.74</u>	<u>\$ 1,446,529.76</u>

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenue, Expenditure, and Change in Fund Balances
 For the Fiscal Year Ended June 30, 2024

Revenues and Other Financing Sources	
Interest	\$ 56,724.06
	<u> </u>
Expenditures and Other Financing Uses	
Architect/Engineer Services	93,615.57
Other Professional Services	23,810.00
Construction Services	1,453,138.05
General Supplies	48,675.12
	<u> </u>
Total Expenditures	1,619,238.74
	<u> </u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,562,514.68)
Fund Balance - July 1	3,009,044.44
	<u> </u>
Fund Balance - June 30	\$ 1,446,529.76
	<u> </u>
Recapitulation:	
Encumbered	\$ 888,119.77
Designated for Subsequent Years Expenditures	558,409.99
	<u> </u>
	<u>\$ 1,446,529.76</u>

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status
Spartan Improvement Plan
From Inception and for the Fiscal Year Ended June 30, 2024

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 37,616,000.00		\$ 37,616,000.00	\$ 37,616,000.00
Interest Earned	195,743.80	\$ 56,724.06	252,467.86	252,467.86
Total Revenues	37,811,743.80	56,724.06	37,868,467.86	37,868,467.86
Expenditures and Other Financing Uses:				
Architect/Engineer Services	2,609,965.05	93,615.57	2,703,580.62	2,839,321.00
Other Professional Services	1,253,823.60	23,810.00	1,277,633.60	1,305,745.00
Construction Services	29,714,686.91	1,453,138.05	31,167,824.96	32,217,574.39
General Supplies	583,685.40	48,675.12	632,360.52	600,000.00
Instructional Equipment	346,381.30		346,381.30	350,000.00
Non-Instructional Equipment	136,405.18		136,405.18	150,000.00
Other Objects	157,751.92		157,751.92	405,827.47
Total Expenditures	34,802,699.36	1,619,238.74	36,421,938.10	37,868,467.86
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,009,044.44	\$ (1,562,514.68)	\$ 1,446,529.76	\$ -
Additional Project Information:				
Project Number	1100-045-20-2000			
Grant Date	N/A			
Bond Authorization Date	7/16/2020			
Bonds Authorized	\$ 37,616,000.00			
Bonds Issued	37,616,000.00			
Original Authorized Cost	37,616,000.00			
Additional Authorized Cost	252,467.86			
Revised Authorized Cost	37,868,467.86			
Percentage Increase Over Original Authorized Cost	0.67%			
Percentage Completion	96.18%			
Original Target Completion Date	8/30/2022			
Revised Target Completion Date	6/30/2025			

LONG-TERM DEBT

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2024

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2023</u>	<u>Retired</u>	<u>Balance June 30, 2024</u>
			<u>Date</u>	<u>Amount</u>				
School Bonds, Series 2020	7/15/20	\$ 37,616,000.00	7/15/24	\$ 830,000.00	2.25%			
			7/15/25	885,000.00	2.25%			
			7/15/26	935,000.00	2.25%			
			7/15/27	985,000.00	2.25%			
			7/15/28	1,040,000.00	2.25%			
			7/15/29	1,090,000.00	2.25%			
			7/15/30	1,140,000.00	2.25%			
			7/15/31	1,190,000.00	2.50%			
			7/15/32	1,250,000.00	2.50%			
			7/15/33	1,300,000.00	2.50%			
			7/15/34	1,350,000.00	2.50%			
			7/15/35	1,400,000.00	2.50%			
			7/15/36	1,450,000.00	2.50%			
			7/15/37	1,500,000.00	2.50%			
			7/15/38	1,555,000.00	2.50%			
			7/15/39	1,555,000.00	2.50%			
			7/15/40	1,555,000.00	2.50%			
			7/15/41	1,555,000.00	2.50%			
			7/15/42	1,555,000.00	2.50%			
			7/15/43	1,555,000.00	2.50%			
			7/15/44	1,555,000.00	2.50%			
			7/15/45	1,555,000.00	2.50%			
			7/15/46	1,455,000.00	2.50%			
			7/15/47	1,455,000.00	2.50%			
			7/15/48	1,450,000.00	2.50%			
			7/15/49	1,450,000.00	2.50%			
			7/15/50	1,440,000.00	2.50%			
				<u>\$ 36,035,000.00</u>		<u>\$ 36,835,000.00</u>	<u>\$ 800,000.00</u>	\$ 36,035,000.00
Unamortized Premium								<u>639,254.14</u>
								<u>\$ 36,674,254.14</u>

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Obligations Under Leases
For the Fiscal Year Ended June 30, 2024

<u>Description</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Amount of Original Issue</u>		<u>Interest Rate Payable</u>	<u>Amount Outstanding June 30, 2023</u>	<u>Issued Current Year</u>	<u>Retired Current Year</u>	<u>Amount Outstanding June 30, 2024</u>
			<u>Principal</u>	<u>Interest</u>					
Copiers	12/1/2023	4 years	\$ 389,633.56	\$ 23,299.40	3.00%	<u>\$ -</u>	<u>\$ 389,633.56</u>	<u>\$ 54,791.76</u>	<u>\$ 334,841.80</u>

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Budgetary Comparison Schedule

Debt Service Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:			
Local Sources:			
Local Tax Levy	\$ 1,351,682.00	\$ 1,351,682.00	
State Sources:			
Debt Service Aid Type II	339,930.00	339,930.00	
Total Revenues	1,691,612.00	1,691,612.00	\$ -
EXPENDITURES:			
Regular Debt Service:			
Interest on Bonds	891,613.00	891,612.50	15,809.50
Redemption of Principal	800,000.00	800,000.00	
Total Expenditures	1,691,613.00	1,691,612.50	15,809.50
Net Change in Fund Balance	(1.00)	(0.50)	15,809.50
Fund Balance, July 1	1.20	0.70	(0.50)
Fund Balance, June 30	\$ 0.20	\$ 0.20	\$ 15,809.00

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Obligations Under Subscription-Based Information Technology Arrangements
For the Fiscal Year Ended June 30, 2024

Purpose	Original Date	Term of Subscription	Amount of Original Subscription		Interest Rate	Balance June 30, 2023	Additions Current Year	Reductions Current Year	Amount Outstanding
			Principal	Interest					June 30, 2024
Educational Software	07/01/22	3 Years	\$ 20,029.50	\$ 790.50	4.00%	\$ 13,089.50		\$ 6,416.42	\$ 6,673.08
Student Management Software	07/01/22	2 Years	17,986.85	541.39	2.00%	9,082.47		9,082.47	
Cyber Security Software	07/01/22	2 Years	4,014.60	60.32	1.00%	2,017.29		2,017.29	
Security Software	03/30/23	5 Years	7,787.48	622.52	4.00%	6,105.48		1,437.78	4,667.70
Math Application Software	07/01/23	6 Years	199,635.23	2,950.27	3.00%		\$ 199,635.23	101,292.75	98,342.48
IEP Tracking Software	07/01/23	3 Years	64,576.69	1,981.88	3.00%		64,576.69	21,112.95	43,463.74
Employee Management Software	07/01/23	3 Years	46,895.33	1,439.24	3.00%		46,895.33	15,332.14	31,563.19
Phone System Software	07/01/23	3 Years	361,960.52	16,039.48	3.00%		361,960.52	117,667.75	244,292.77
ELA Software	05/01/24	3 Years	366,537.52	18,028.99	3.00%		366,537.52	131,105.51	235,432.01
						\$ 30,294.74	\$ 1,039,605.29	\$ 405,465.06	\$ 664,434.97

STATISTICAL SECTION

Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years (accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2024*</u>	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Governmental Activities										
Net Investment in Capital Assets	\$ 21,813,819	\$ 23,426,004	\$ 23,361,530	\$ 18,794,608	\$ 20,117,925	\$ 20,059,194	\$ 20,797,614	\$ 20,830,156	\$ 20,818,783	\$ 22,211,278
Restricted	15,809,961	14,736,996	12,464,537	11,140,850	6,710,520	4,235,777	2,267,461	1,760,961	3,960,362	6,963,929
Unrestricted (Deficit)	(16,156,339)	(20,017,004)	(23,303,830)	(26,845,640)	(32,532,711)	(33,554,888)	(33,678,702)	(29,934,116)	(27,681,005)	(27,393,758)
Total Governmental Activities Net Position	<u>\$ 21,467,441</u>	<u>\$ 18,145,997</u>	<u>\$ 12,522,236</u>	<u>\$ 3,089,818</u>	<u>\$ (9,259,917)</u>	<u>\$ (9,259,917)</u>	<u>\$ (10,613,627)</u>	<u>\$ (7,342,999)</u>	<u>\$ (2,901,860)</u>	<u>\$ 1,781,449</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 446,010	\$ 243,724	\$ 164,739	\$ 65,327	\$ 159,533	\$ 110,426	\$ 128,969	\$ 154,938	\$ 185,401	\$ 62,923
Unrestricted (Deficit)	1,189,648	1,073,606	642,991	293,592	(12,482)	(23,736)	(102,434)	(142,265)	(179,900)	72,303
Total Business-type Activities Net Position	<u>\$ 1,635,658</u>	<u>\$ 1,317,330</u>	<u>\$ 807,730</u>	<u>\$ 358,919</u>	<u>\$ 86,690</u>	<u>\$ 86,690</u>	<u>\$ 26,535</u>	<u>\$ 12,673</u>	<u>\$ 5,501</u>	<u>\$ 135,226</u>
District-wide										
Net Investment in Capital Assets	\$ 22,259,829	\$ 23,669,729	\$ 23,526,269	\$ 23,526,269	\$ 18,859,935	\$ 20,169,620	\$ 20,169,620	\$ 20,926,583	\$ 20,985,094	\$ 21,004,184
Restricted	15,809,961	14,736,996	12,464,537	12,464,537	11,140,850	4,235,777	4,235,777	2,267,461	1,760,961	3,960,362
Unrestricted (Deficit)	(14,966,691)	(18,943,398)	(22,660,839)	(22,660,839)	(26,552,048)	(33,578,624)	(33,578,624)	(33,781,136)	(30,076,381)	(27,860,905)
Total District-wide Net Position	<u>\$ 23,103,099</u>	<u>\$ 19,463,327</u>	<u>\$ 13,329,966</u>	<u>\$ 13,329,966</u>	<u>\$ (9,173,227)</u>	<u>\$ (9,173,227)</u>	<u>\$ (9,173,227)</u>	<u>\$ (10,587,092)</u>	<u>\$ (7,330,326)</u>	<u>\$ (2,896,359)</u>

* Amounts for the years 2021 through 2024 include the revenues and expenses associated with the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

Source: District Records (Exhibit A-1)

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

	Fiscal Year Ended June 30,									
	<u>2024*#</u>	<u>2023*#</u>	<u>2022*#</u>	<u>2021*#</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	<u>2016</u>	<u>2015</u>
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 31,695,643	\$ 28,662,297	\$ 26,764,670	\$ 25,342,293	\$ 23,268,782	\$ 23,134,604	\$ 24,602,322	\$ 23,716,666	\$ 25,405,080	\$ 24,140,864
Special Education	4,576,509	4,296,280	5,071,104	5,242,998	6,679,145	4,775,863	4,319,698	4,120,484	4,167,971	3,474,029
Other Special Education	739,643	918,470	956,419	1,033,820	2,123,204	2,219,589	1,849,868	1,855,323	1,741,812	1,637,303
Other Instruction	1,163,566	1,093,278	1,016,849	912,590						
Support Services:										
Tuition	7,211,842	6,751,077	6,299,865	5,399,449	6,229,187	6,294,288	5,380,139	4,719,675	4,576,912	4,757,738
Student & Instruction Related Services	11,433,345	9,918,428	7,807,855	7,819,388	7,526,977	7,337,191	9,112,463	7,725,862	7,641,053	6,801,746
Other Administrative Services	1,779,505	2,026,187	1,584,817	1,553,911	1,381,015	1,342,393	1,625,030	1,821,705	1,898,009	1,976,717
School Administrative Services	2,268,048	2,937,160	2,889,664	2,788,982	2,827,911	3,039,946	3,346,542	3,508,849	3,607,344	3,368,320
Plant Operations and Maintenance	6,992,206	6,395,797	5,952,841	5,868,278	5,633,468	5,817,965	5,563,732	5,583,065	6,299,320	6,074,793
Pupil Transportation	5,699,574	4,083,407	3,647,406	2,713,605	3,001,773	3,641,837	4,211,604	4,053,915	4,086,791	4,215,472
Unallocated Benefits	20,013,326	19,458,854	23,407,276	31,442,317	26,775,752	37,502,533	39,420,160	36,125,497	26,717,805	16,059,331
Transfer to Charter School	245,976	244,295	291,149	157,453	118,797	219,283	265,233	168,272	139,758	105,349
Special Schools					5,000	37,743	74,779	84,841	90,554	
Payment of Bond Issue Costs									115,069	
Interest on Long-Term Debt	867,805	889,754	904,831	913,939	50,194	86,051	104,909	257,439	416,030	516,141
Total Governmental Activities Expenses	94,686,989	87,675,284	86,594,747	91,189,023	85,621,205	95,449,286	99,876,479	93,741,593	86,903,508	73,127,803
Business-type Activities:										
Food Service	1,819,510	1,680,757	2,053,880	819,387	1,256,938	1,667,155	1,915,691	1,866,457	1,765,038	1,579,611
Childcare Program	1,165,431	917,731	495,652	70,555	365,078	473,079	252,751	131,531		
Total Business-type Activities Expense	2,984,941	2,598,487	2,549,532	889,942	2,140,234	2,140,234	2,168,442	1,997,988	1,765,038	1,579,611
Total District Expenses	\$ 97,671,930	\$ 90,273,771	\$ 89,144,279	\$ 92,078,965	\$ 97,589,520	\$ 97,589,520	\$ 102,044,921	\$ 95,739,581	\$ 88,668,546	\$ 74,707,414
Program Revenues										
Governmental Activities:										
Charges for Services:	\$ 1,029,344	\$ 782,740	\$ 753,975	\$ 478,388	\$ 267,685	\$ 387,304	\$ 584,016	\$ 813,490	\$ 452,379	\$ 322,655
Capital Grants and Contributions	16,195,885	1,464,947								
Operating Grants and Contributions	383,650	14,955,731	19,188,969	25,663,984	7,648,039	17,443,709	20,564,214	2,890,355	2,993,455	2,735,627
Total Governmental Activities Program Revenues	17,608,879	17,203,418	19,942,944	26,142,372	17,831,013	17,831,013	21,148,230	3,703,845	3,445,834	3,058,282
Business-type activities:										
Charges for services										
Food Service	735,294	650,505	113	9,026	419,129	560,581	616,700	647,804	627,124	590,621
Childcare Program	996,352	812,836	575,572		416,474	538,097	267,699	138,136		
Operating Grants and Contributions	1,513,671	1,624,045	2,421,525	1,154,753	747,983	919,179	1,072,697	1,019,220	1,008,189	953,844
Total Business-type Activities Program Revenues	3,245,317	3,087,385	2,997,210	1,163,779	2,017,857	2,017,857	1,957,096	1,805,160	1,635,313	1,544,465
Total District Program Revenues	\$ 20,854,196	\$ 20,290,804	\$ 22,940,154	\$ 27,306,151	\$ 19,848,870	\$ 19,848,870	\$ 23,105,326	\$ 5,509,005	\$ 5,081,147	\$ 4,602,747
Net (Expense)/Revenue										
Governmental Activities	\$ (77,078,110)	\$ (70,471,866)	\$ (66,651,803)	\$ (65,046,651)	\$ (77,618,273)	\$ (77,618,273)	\$ (78,728,249)	\$ (90,037,748)	\$ (83,457,674)	\$ (70,069,521)
Business-type Activities	260,376	488,898	447,678	273,837	(122,377)	(122,377)	(211,346)	(192,828)	(129,725)	(35,146)
Total District-wide Net Expense	\$ (76,817,733)	\$ (69,982,968)	\$ (66,204,125)	\$ (64,772,814)	\$ (77,740,650)	\$ (77,740,650)	\$ (78,939,595)	\$ (90,230,576)	\$ (83,587,399)	\$ (70,104,667)

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

	Fiscal Year Ended June 30,									
	<u>2024*#</u>	<u>2023*#</u>	<u>2022*#</u>	<u>2021*#</u>	<u>2020*</u>	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	<u>2016</u>	<u>2015</u>
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 46,593,422	\$ 45,679,825	\$ 44,784,142	\$ 43,906,022	\$ 43,045,120	\$ 41,327,967	\$ 40,517,615	\$ 39,687,220	\$ 38,464,482	\$ 37,188,880
Taxes Levied for Debt Service	1,351,682	1,349,134	1,094,945	1,341,500	1,332,531	1,343,700	1,347,900	1,348,686	1,443,800	1,435,800
Unrestricted Grants and Contributions	31,068,563	28,320,226	29,926,325	27,178,353	36,928,568	36,354,510	33,744,191	44,648,119	30,730,259	29,487,727
Restricted Miscellaneous Income	762,570	123,247	103,103	103,103						
Investment Earnings	500,070	312,211	77,450	169,660	116,534	119,928	25,129	5,760	2,528	696
Miscellaneous Income	123,247	310,983	98,256	157,558	118,644	8,410	47,786	106,824	112,448	315,337
Loss on Disposal				(2,944)						
Transfers					(96,927)	(182,532)	(225,000)	(200,000)		
Total Governmental Activities	80,399,554	76,095,626	76,084,221	72,853,252	78,971,983	78,971,983	75,457,621	85,596,609	70,753,517	68,428,440
Business-type Activities:										
Investment Earnings	57,952	20,702	1,134	1,079	1,864		208			7,785
Transfers					96,927	182,532	225,000	200,000		
Total Business-type Activities	57,952	20,702	1,134	1,079	182,532	182,532	225,208	200,000	-	7,785
Total District-wide	<u>\$ 80,457,506</u>	<u>\$ 76,116,328</u>	<u>\$ 76,085,355</u>	<u>\$ 72,854,331</u>	<u>\$ 79,154,515</u>	<u>\$ 79,154,515</u>	<u>\$ 75,682,829</u>	<u>\$ 85,796,609</u>	<u>\$ 70,753,517</u>	<u>\$ 68,436,225</u>
Change in Net Position										
Governmental Activities	\$ 3,321,444	\$ 5,623,761	\$ 9,432,418	\$ 3,555,651	\$ 1,353,710	\$ 1,353,710	\$ (3,270,628)	\$ (4,441,139)	\$ (12,704,157)	\$ (489,048)
Business-type Activities	318,328	509,600	448,811	60,361	60,155	13,862	7,172	(129,725)	(27,361)	(52,266)
Total District	<u>\$ 3,639,772</u>	<u>\$ 6,133,360</u>	<u>\$ 9,881,230</u>	<u>\$ 3,616,012</u>	<u>\$ 1,413,865</u>	<u>\$ 1,367,572</u>	<u>\$ (3,263,456)</u>	<u>\$ (4,570,864)</u>	<u>\$ (12,731,518)</u>	<u>\$ (541,314)</u>

* Amounts for 2017 through 2024 include the implementation of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

Amounts for the years 2021 through 2024 include the revenues and expenses associated with the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

Source: District Records (Exhibit A-2)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2024#</u>	<u>2023#</u>	<u>2022#</u>	<u>2021#</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund										
Restricted	\$ 14,993,054	\$ 14,068,947	\$ 11,897,902	\$ 10,717,333	\$ 6,710,520	\$ 4,226,508	\$ 2,258,192	\$ 1,751,692	\$ 3,951,093	\$ 6,926,291
Assigned	3,030,440	2,326,432	662,735	336,093	1,512,082	223,850	167,500	1,992,432	1,084,280	247,050
Unassigned (Deficit)	2,173,747	2,020,399	3,401,209	3,026,478	(739,996)	(612,054)	(670,806)	(716,475)	(736,865)	(764,667)
Total General Fund	<u>\$ 20,197,241</u>	<u>\$ 18,415,778</u>	<u>\$ 15,961,846</u>	<u>\$ 14,079,904</u>	<u>\$ 7,482,606</u>	<u>\$ 3,838,304</u>	<u>\$ 1,754,886</u>	<u>\$ 3,027,649</u>	<u>\$ 4,298,508</u>	<u>\$ 6,408,674</u>
All Other Governmental Funds										
Restricted										
Debt Service Fund		\$ 1	\$ 1	\$ 1		\$ 9,269	\$ 9,269	\$ 9,269	\$ 9,269	
Special Revenue Fund	\$ 564,650	472,516	413,902	309,085						
Capital Projects Fund	1,446,530	3,009,044	6,332,470	25,830,176						
Unassigned (Deficit), Reported in:										
Special Revenue Fund	958,088	573,829			\$ (66,184)	(75,991)	(265,221)	(81,919)	(70,620)	\$ (83,332)
Capital Projects Fund					(27,122)					
Total All Other Governmental Funds	<u>\$ 2,969,268</u>	<u>\$ 4,055,389</u>	<u>\$ 6,746,373</u>	<u>\$ 26,139,262</u>	<u>\$ (93,306)</u>	<u>\$ (66,722)</u>	<u>\$ (255,952)</u>	<u>\$ (72,650)</u>	<u>\$ (61,351)</u>	<u>\$ (83,332)</u>

Amounts for the years 2021 through 2024 include the revenues and expenses associated with the implementation of Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities.

Source: District Records (Exhibit B-1)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2024#</u>	<u>2023#</u>	<u>2022#</u>	<u>2021#</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Revenues										
Tax Levy	\$ 47,945,104	\$ 47,028,959	\$ 45,879,087	\$ 45,247,522	\$ 44,377,651	\$ 42,671,667	\$ 41,865,515	\$ 41,035,906	\$ 39,908,282	\$ 38,624,680
Tuition Charges	382,494	135,890	107,125	105,184	267,685	387,304	584,016	813,490	452,379	322,655
Interest Earnings	762,570	312,211	77,450	169,660	116,534	119,928	25,129	5,760	2,528	696
Miscellaneous	467,225	378,137	201,359	260,661	118,646	161,178	47,786	106,824	112,448	315,337
State Sources	52,491,654	47,610,071	44,755,325	40,691,801	37,643,689	37,214,104	35,975,572	32,606,584	31,605,097	30,247,095
Federal Sources	3,249,570	3,761,641	5,719,080	2,495,008	1,903,874	1,858,134	1,957,705	2,096,857	2,113,554	1,960,246
Local Sources	835,981	735,983	679,890	375,920	100,000		500	4,937	5,063	16,013
Total Revenue	106,134,598	99,962,892	97,419,315	89,345,756	82,412,315	82,412,315	80,456,223	76,670,358	74,199,351	71,486,722
Expenditures										
Instruction										
Regular Instruction	29,270,551	26,654,440	25,555,096	23,888,190	22,002,093	22,440,087	23,509,272	22,651,872	23,415,876	22,920,487
Special Education Instruction	4,226,352	3,995,316	4,825,308	4,924,252	6,388,190	4,554,610	4,121,083	3,936,671	3,897,859	3,303,324
Other Instruction	2,011,315	2,126,320	2,139,053	2,086,121	2,024,341	2,104,366	1,754,638	1,761,026	1,615,383	1,545,530
Support Services:										
Tuition	7,211,842	6,751,077	6,299,865	5,399,449	6,229,187	6,294,288	5,380,139	4,719,675	4,576,912	4,757,738
Student & Instruction Related Services	10,558,559	9,223,621	7,429,409	7,344,012	7,147,255	6,959,589	8,714,579	7,349,614	7,111,390	6,449,005
General Administrative Services	1,560,477	1,552,372	1,456,852	1,411,035	1,351,370	1,317,827	1,592,753	1,776,927	1,832,315	1,924,333
School Administrative Services	2,723,687	2,979,968	2,879,519	2,777,538	2,682,311	2,882,137	3,174,264	3,330,512	3,345,506	3,179,522
Plant Operations and Maintenance	6,630,312	6,029,514	5,586,490	5,503,407	5,432,257	5,603,301	5,423,279	5,465,499	6,011,088	5,755,410
Pupil Transportation	5,395,656	3,813,214	3,348,613	2,426,829	3,001,773	3,641,837	4,211,604	4,053,915	4,086,791	4,215,472
Unallocated Employee Benefits	30,803,174	29,218,963	28,629,124	23,738,292	21,802,863	22,100,883	21,143,453	20,027,070	17,590,117	15,775,599
Transfer to Charter School	245,976	244,295	291,149	157,453	118,797	219,283	265,233	168,272	139,758	105,349
Special Schools					5,000	37,743	74,779	84,841	90,554	
Capital Outlay	4,538,982	6,005,934	23,808,779	15,493,760	1,286,197	457,484	974,312	930,095	1,632,904	1,307,643
Debt Service:										
Principal	800,000	781,000	1,285,000	1,290,000	1,265,000	1,230,000	1,210,000	1,210,000	1,100,000	1,050,000
Interest and Other Charges	891,613	907,423	1,396,006	51,500	76,800	113,700	137,900	286,527	606,710	533,641
Total Expenditures	106,868,495	100,283,457	114,930,262	96,491,838	79,957,135	79,957,135	81,687,288	77,752,516	77,053,163	72,823,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	(733,897)	(320,565)	(17,510,947)	(7,146,082)	2,455,180	2,455,180	(1,231,065)	(1,082,158)	(2,853,812)	(1,336,331)
Other Financing Sources (Uses)										
Total assets acquired under Leases	389,634								650,558	
Bond Proceeds				37,616,000						
Proceeds of Refunding Debt									7,490,000	
Total assets acquired under SBITA's	1,039,605	83,513								
Payment to Refunded Debt Escrow Agent									(7,560,777)	
Original Issue Premium									185,846	
Transfers In								288,780	249,561	25,205
Transfers Out					(96,927)	(182,532)	(225,000)	(488,780)	(249,561)	(25,205)
Total Other Financing Sources (Uses)	1,429,239	83,513	-	37,616,000	(182,532)	(182,532)	(225,000)	(200,000)	765,627	-
Net Change in Fund Balances	\$ 695,341	\$ (237,051)	\$ (17,510,947)	\$ 30,469,918	\$ 2,272,648	\$ 2,272,648	\$ (1,456,065)	\$ (1,282,158)	\$ (2,088,185)	\$ (1,336,331)
Debt Service as a Percentage of Noncapital Expenditures	1.7%	1.8%	2.9%	1.7%	1.7%	1.7%	1.7%	1.9%	2.3%	2.2%

Amounts for the years 2021 through 2024 include the revenues and expenses associated with the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

Source: District Records (Exhibit B-2)

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 General Fund - Other Local Revenue by Source
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contribution - Spartan Stadium	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000						
Prior Year Purchase Order Adjustments										
Refunds	94,136	129,100	22,754	74,036	\$ 15,112	\$ 10,946	\$ 3,693	\$ 48,052	\$ 28,812	\$ 217,249
Lease Purchase Agreement						126,537				
Miscellaneous	273,089	117,536	78,604	85,025	96,534			43,179	74,961	64,297
Rentals				1,600	7,000	16,000	40,000		836	32,673
Transportation		31,500				7,695	4,093	15,593	7,839	1,118
	<u>\$ 467,225</u>	<u>\$ 378,136</u>	<u>\$ 201,359</u>	<u>\$ 260,661</u>	<u>\$ 161,178</u>	<u>\$ 161,178</u>	<u>\$ 47,786</u>	<u>\$ 106,824</u>	<u>\$ 112,448</u>	<u>\$ 315,337</u>

Source: District Records

Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year</u> <u>Ended</u> <u>June 30,</u>	<u>Total</u> <u>Assessed Value</u>	<u>Public</u> <u>Utilities (1)</u>	<u>Net Valuation</u> <u>Taxable</u>	<u>Tax-Exempt</u> <u>Property</u>	<u>Estimated Actual</u> <u>(County Equalized)</u> <u>Value</u>	<u>Total Direct</u> <u>School Tax</u> <u>Rate (2)</u>
2024	\$ 2,797,878,600	\$ -	\$ 2,797,878,600	\$ 440,614,800	\$ 3,780,113,903	\$ 1.748
2023	2,846,304,000	5,333,498	2,851,637,498	431,499,600	3,494,573,383	1.681
2022	2,843,512,480	5,741,775	2,849,254,255	430,032,100	3,202,704,705	1.650
2021	2,832,312,400	6,035,978	2,838,348,378	419,161,800	3,028,725,192	1.617
2020	2,823,774,200	6,218,076	2,829,992,276	417,812,100	2,891,749,564	1.599
2019	2,810,853,700	6,007,538	2,816,861,238	414,002,300	2,930,270,397	1.575
2018	2,806,888,800	5,925,130	2,812,813,930	411,748,200	2,917,271,266	1.518
2017	2,790,465,100	6,172,001	2,796,637,101	409,490,500	2,793,601,396	1.497
2016	2,791,165,100	6,084,393	2,797,249,493	378,279,900	2,698,165,700	1.467
2015	2,801,276,400	6,098,196	2,807,374,596	372,794,500	2,781,287,814	1.422

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Tax Rates are per \$100.00 of Assessed Valuation

Source: Municipal Tax Assessor

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$100 of assessed value)

Unaudited

Fiscal Year Ended <u>June 30,</u>	<u>District Direct Rate</u>			<u>Overlapping Rates</u>			Total Direct and <u>Tax Rate</u>
	<u>Basic Rate</u>	<u>General Obligation Service</u>	<u>Total Direct School Tax Rate</u>	<u>Special Districts</u>	<u>Township of Deptford</u>	<u>County of Gloucester</u>	
2024	\$ 1.701	\$ 0.047	\$ 1.748	N/A	\$ 0.946	\$ 0.677	\$ 3.371
2023	1.633	0.048	1.681	N/A	0.899	0.688	3.268
2022	1.605	0.045	1.650	N/A	0.937	0.677	3.264
2021	1.569	0.048	1.617	N/A	0.917	0.690	3.224
2020	1.551	0.048	1.599	N/A	0.913	0.673	3.185
2019	1.525	0.050	1.575	N/A	0.894	0.669	3.138
2018	1.470	0.048	1.518	N/A	0.883	0.664	3.065
2017	1.449	0.048	1.497	N/A	0.850	0.631	2.978
2016	1.419	0.048	1.467	N/A	0.848	0.599	2.914
2015	1.370	0.052	1.422	N/A	0.805	0.593	2.820

Source: Municipal Tax Collector

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Ten Years Ago
Unaudited

<u>Taxpayer</u>	2024			2015		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total District Net Assessed Value</u>
Deptford Mall Associates	\$ 124,999,700	1	4.39%		Not Available	
WRG Deptford LLC & CS Deptford Hold	57,819,600	2	2.03%		Not Available	
LBX Deptford TH LLC	32,500,000	3	1.14%		Not Available	
Merion Locust Grove LP	26,317,200	4	0.92%		Not Available	
Walmart	21,300,000	5	0.75%		Not Available	
Narraticon SPE LLC & D&A LLC	19,625,300	6	0.69%		Not Available	
Almonesson Associates - II	18,000,000	7	0.63%		Not Available	
Macerich Deptford Adjacent LLC	17,456,000	8	0.61%		Not Available	
The Inverness Apartments LLC	17,256,200	9	0.61%		Not Available	
Target Corp C/O Sobel Co #370	14,599,000	10	0.51%		Not Available	
Total	<u>\$ 349,873,000</u>		<u>12.29%</u>	<u>-</u>		<u>0.00%</u>

Source: Municipal Tax Assessor

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>School Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2024	\$ 47,945,104	\$ 47,945,104	100.00%	
2023	47,028,959	47,028,959	100.00%	-
2022	45,879,087	45,879,087	100.00%	-
2021	45,247,522	45,247,522	100.00%	-
2020	44,377,651	44,377,651	100.00%	-
2019	42,671,667	42,671,667	100.00%	-
2018	41,856,246	41,856,246	100.00%	-
2017	41,035,906	39,687,220	100.00%	-
2016	38,464,482	38,464,482	100.00%	-
2015	37,188,880	37,188,880	100.00%	-

- (1) 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.

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

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	<u>Governmental Activities</u>				<u>Business-Type Activities</u>		Percentage of Personal Income (2)	<u>Per Capita (2)</u>
	General Obligation Bonds (1)	Certificates of Participation	Financed Purchases	Bond Anticipation Notes (BANs)	Financed Purchases	<u>Total District</u>		
2024	\$ 36,035,000	N/A	\$ 268,700	N/A	N/A	\$ 36,303,700	Unavailable	Unavailable
2023	36,835,000	N/A	531,486	N/A	N/A	37,366,486	Unavailable	1,156.39
2022	37,616,000	N/A	859,203	N/A	N/A	38,475,203	1.910%	1,191.92
2021	38,901,000	N/A	1,269,702	N/A	N/A	40,170,702	1.987%	1,242.83
2020	2,575,000	N/A	1,685,365	N/A	N/A	4,260,365	0.232%	140.04
2019	3,840,000	N/A	93,660	N/A	N/A	3,933,660	0.228%	129.52
2018	5,070,000	N/A	185,800	N/A	N/A	5,255,800	0.316%	172.54
2017	6,280,000	N/A	339,686	N/A	N/A	6,619,686	0.412%	217.32
2016	7,490,000	N/A	650,558	N/A	N/A	8,140,558	0.526%	267.23
2015	8,595,000	N/A	46,449	N/A	N/A	8,641,449	0.571%	283.12

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

(1) Includes Early Retirement Incentive Plan (ERIP) refunding

(2) See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

Source: District ACFR Exhibits I-1, I-2

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2024	\$ 36,035,000	\$ -	\$ 36,035,000	1.29%	Unavailable
2023	36,835,000	-	36,835,000	1.29%	\$ 1,139.94
2022	37,616,000	-	37,616,000	1.32%	1,165.30
2021	38,901,000	-	38,901,000	1.37%	1,203.55
2020	2,575,000	-	2,575,000	0.09%	84.64
2019	3,840,000	-	3,840,000	0.14%	126.44
2018	5,070,000	-	5,070,000	0.18%	166.44
2017	6,280,000	-	6,280,000	0.22%	206.17
2016	7,490,000	-	7,490,000	0.27%	245.87
2015	8,595,000	-	8,595,000	0.31%	281.60

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

- (1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (2) Per Capita calculation based upon population information provided by the NJ Dept of Labor

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2023
Unaudited

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Deptford	\$ 36,035,000	100.00%	\$ 36,035,000
Other debt			
County of Gloucester	207,266,636	10.13%	<u>20,996,110</u>
Subtotal, overlapping debt			57,031,110
Deptford Township School District Direct Debt			<u>36,835,000</u>
Total direct and overlapping debt			<u><u>\$ 93,866,110</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by County of Gloucester
Debt outstanding provided by applicable governmental unit

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Deptford. 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.

- (1) 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.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Legal Debt Margin Information
Last Ten Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2024

Equalized valuation basis	
2023	\$ 3,839,093,607
2022	3,480,005,483
2021	<u>3,178,801,796</u>
	<u>\$ 10,497,900,886</u>
Average equalized valuation of taxable property	<u>\$ 3,499,300,295</u>
Debt limit (4% of average equalization value) (1)	\$ 139,972,012
Total Net Debt Applicable to Limit	<u>36,035,000</u>
Legal Debt Margin	<u>\$ 103,937,012</u>

	Fiscal Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt limit	\$ 139,972,012	\$ 128,893,102	\$ 121,642,393	\$ 118,009,935	\$ 116,523,883	\$ 115,215,241	\$ 112,120,511	\$ 110,149,466	\$ 77,550,263	\$ 118,167,679
Total net debt applicable to limit	<u>36,035,000</u>	<u>36,835,000</u>	<u>37,616,000</u>	<u>38,901,000</u>	<u>2,575,000</u>	<u>3,840,000</u>	<u>5,070,000</u>	<u>6,280,000</u>	<u>7,490,000</u>	<u>8,595,000</u>
Legal debt margin	<u>\$ 103,937,012</u>	<u>\$ 92,058,102</u>	<u>\$ 84,026,393</u>	<u>\$ 79,108,935</u>	<u>\$ 113,948,883</u>	<u>\$ 111,375,241</u>	<u>\$ 107,050,511</u>	<u>\$ 103,869,466</u>	<u>\$ 70,060,263</u>	<u>\$ 109,572,679</u>
Total net debt applicable to the limit as a percentage of debt limit	25.74%	28.58%	30.92%	32.96%	2.21%	3.33%	4.52%	5.70%	9.66%	7.27%

Sources:

- (1) Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts
- (2) County Abstract of Ratables
- (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Fiscal Year</u> <u>Ended</u>	<u>Population (1)</u>	<u>Personal</u> <u>Income (2)</u>	<u>Per Capita</u> <u>Personal</u> <u>Income (3)</u>	<u>Unemployment</u> <u>Rate (4)</u>
2024	Unavailable	Unavailable	Unavailable	4.80%
2023	32,313	Unavailable	Unavailable	4.10%
2022	32,280	2,014,433,400	62,405	6.60%
2021	32,322	2,021,838,066	62,553	10.30%
2020	30,422	1,837,062,892	60,386	4.00%
2019	30,371	1,726,682,463	56,853	4.70%
2018	30,461	1,664,571,806	54,646	5.10%
2017	30,461	1,606,178,069	52,729	5.60%
2016	30,463	1,547,154,844	50,788	5.10%
2015	30,522	1,514,562,684	49,622	6.10%

Source:

- (1) Population information provided by the NJ Dept of Labor and Workforce Development
- (2) Personal income has been estimated based upon the municipal population and per capita personal income presented.
- (3) Per Capita personal income by county is based on Census Bureau midyear population estimates available as of March 2022 (which includes prior year revised amounts).
- (4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Principal Employers
Current Year and Ten Years Ago
Unaudited

	2024			2015		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>
Information is not available		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
			<u>0.00%</u>			<u>0.00%</u>

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years
Unaudited

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<u>Function/Program</u>										
Instruction										
Regular	302	316	298	298	296	293	298	318	315	297
Special education	121	104	120	124	115	78	80	109	105	88
Other special education	23	24	21	21	19	19	17	-	-	-
Other instruction	25	24	22	22	22	19	18	-	-	-
Support Services:										
Security	8	5	2	2	1	-	-	-	-	-
Student & instruction related services	110	92	67	68	91	104	95	99	105	90
General administrative services	3	3	3	3	3	3	4	4	3	3
School administrative services	62	56	61	61	57	59	69	32	34	31
Business administrative services	6	6	7	6	6	6	7	7	13	11
Plant operations and maintenance	58	58	57	54	55	54	58	68	72	98
Pupil transportation	46	46	60	61	77	67	55	46	43	61
Food Service	2	3	5	6	11	23	20	21	18	25
Total	766	737	723	726	753	725	721	704	708	704

Source: District Personnel Records

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil/Teacher Ratio			Average Daily Enrollment	Average Daily Attendance	% Change in Average Daily	Student Attendance
						Elementary	Middle School	High School	(ADE) (3)	(ADA) (3)	Enrollment	Percentage
2024^	4,199	\$ 100,637,901	\$ 23,967.11	9.46%	384	1:13	1:12	1:13	4,177	3,933	2.93%	94.16%
2023^	4,057	92,589,100	22,822.06	10.48%	378	1:11	1:10	1:11	4,058	3,797	2.27%	93.57%
2022^	4,039	88,440,477	21,896.63	13.56%	375	1:13	1:15	1:13	3,968	3,731	2.29%	94.03%
2021^	3,856	79,656,578	20,657.83	7.14%	379	1:12	1:14	1:12	3,879	3,707	-4.36%	95.57%
2020	4,055	78,185,437	19,281.24	2.09%	376	1:13	1:16	1:13	4,056	3,908	-1.22%	96.35%
2019	4,138	78,155,951	18,887.37	0.93%	377	1:14	1:15	1:14	4,106	3,887	-2.95%	94.67%
2018	4,241	79,365,076	18,713.76	7.65%	378	1:12	1:11	1:11	4,231	4,004	-1.95%	94.63%
2017	4,333	75,325,894	17,384.24	2.26%	381	1:12	1:09	1:09	4,315	4,100	-0.19%	95.02%
2016	4,336	73,713,549	17,000.36	13.66%	524	1:10	1:12	1:09	4,323	4,118	0.32%	95.26%
2015	4,305	64,392,398	14,957.58	9.58%	447	1:10	1:12	1:09	4,309	4,081	-0.83%	94.71%

^ Amounts for the years 2021 through 2024 include the expenses associated with the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*.

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

Note: Enrollment based on annual October district count.

- (1) Operating expenditures equal total expenditures less debt service and capital outlay; Schedule B-2
- (2) Teaching staff includes only full-time equivalents of certificated staff.
- (3) Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>District Building</u>										
<u>Elementary</u>										
Central Elementary School (2004)										
Square Feet	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000	71,000
Capacity (students)	552	552	552	552	552	552	552	552	552	552
Enrollment	443	373	543	496	590	599	634	633	667	592
Good Intent Elementary School (1960)										
Square Feet	23,565	23,565	23,565	23,565	23,565	23,565	23,565	23,565	23,565	23,565
Capacity (students)	515	515	515	515	515	515	515	515	515	515
Enrollment	332	323	316	328	354	347	357	367	359	392
Lake Tract Elementary School (1964)										
Square Feet	25,256	25,256	25,256	25,256	25,256	25,256	25,256	25,256	25,256	25,256
Capacity (students)	294	294	294	294	294	294	294	294	294	294
Enrollment	408	414	409	391	406	500	483	485	512	512
New Sharon Elementary School (1924)										
Square Feet	9,282	9,282	9,282	9,282	9,282	9,282	9,282	9,282	9,282	9,282
Capacity (students)	70	70	70	70	70	70	70	70	70	70
Enrollment	-	-	-	-	-	-	17	12	16	16
Oak Valley Elementary School (1959)										
Square Feet	35,238	35,238	35,238	35,238	35,238	35,238	35,238	35,238	35,238	35,238
Capacity (students)	276	276	276	276	276	276	276	276	276	276
Enrollment	349	368	363	358	361	376	370	378	416	416
Pine Acres Elementary School (1964)										
Square Feet	35,540	35,540	35,540	35,540	35,540	35,540	35,540	35,540	35,540	35,540
Capacity (students)	290	290	290	290	290	290	290	290	290	290
Enrollment	195	173	258	240	260	250	245	237	279	279
Shady Lane Elementary School (1957)										
Square Feet	63,015	63,015	63,015	63,015	63,015	63,015	63,015	63,015	63,015	63,015
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	410	388	370	365	404	383	414	439	416	416
<u>Middle School</u>										
Monongahela Middle School (1984)										
Square Feet	121,024	93,186	93,186	93,186	93,186	93,186	93,186	93,186	93,186	93,186
Capacity (students)	727	560	560	560	560	560	560	560	560	560
Enrollment	939	928	658	703	673	586	637	673	614	614
<u>High School</u>										
Deptford High School (1974)										
Square Feet	221,992	221,992	221,992	221,992	221,992	221,992	221,992	221,992	221,992	221,992
Capacity (students)	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468	1,468
Enrollment	1,103	1,080	1,052	998	1,009	1,064	1,074	1,091	1,037	1,037
<u>Other</u>										
Administrative Offices										
Square Feet	8,080	8,080	24,988	24,988	24,988	24,988	24,988	24,988	24,988	24,988
Number of Schools at June 30, 2024			Elementary = 6		Middle School = 1		High School = 1		Other = 1	

Source: District records, ASSA

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

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years
Unaudited

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

<u>* School Facilities</u>	<u>Project # (s)</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Deptford High School	N/A	\$ 405,481	\$ 326,529	\$ 348,265	\$ 361,765	\$ 299,163	\$ 320,524	\$ 255,510	\$ 145,263	\$ 88,499	\$ 91,147
Monongahela Middle School	N/A	159,312	145,124	154,785	160,785	132,961	142,455	113,560	64,561	36,891	36,951
Central Elementary School	N/A	111,062	99,773	106,414	110,539	91,411	97,938	78,073	68,596	29,513	29,561
Good Intent Elementary School	N/A	51,862	54,422	58,045	60,295	49,861	53,421	42,585	20,175	9,838	9,854
Lake Tract Elementary School	N/A	39,507	45,351	48,370	50,245	41,550	44,517	35,488	20,175	9,838	9,854
New Sharon Elementary School	N/A	6,519		9,673	10,049	8,310	8,903	7,096	4,035	4,919	4,927
Pine Acres Elementary School	N/A	55,594	54,422	58,045	60,294	49,859	53,420	42,585	24,210	14,757	14,781
Oak Valley Elementary School	N/A	55,121	54,422	58,045	60,294	49,859	53,420	42,585	24,210	14,757	14,781
Shady Lane Elementary School	N/A	88,321	81,632	87,066	90,441	74,791	80,131	63,878	32,281	24,594	24,634
District Wide	N/A	61,250	45,351	38,696	40,196	33,241	35,614	28,390		9,838	9,854
Total School Facilities		<u>\$ 1,034,029</u>	<u>\$ 907,026</u>	<u>\$ 967,404</u>	<u>\$ 1,004,903</u>	<u>\$ 831,006</u>	<u>\$ 890,343</u>	<u>\$ 709,750</u>	<u>\$ 403,506</u>	<u>\$ 243,444</u>	<u>\$ 246,344</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

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

Insurance Schedule

June 30, 2024

Unaudited

Company	Type of Coverage	Coverage	Deductible
Gloucester Cumberland Salem School Districts Joint Insurance Fund	Property, Inland Marine and Automobiles Physical Damage		
	Limit of Liability	\$175,000,000	
	GCSSD JIF Self Insured Retention	\$250,000	
	Member District Deductible		\$500
	Property Valuation		
	Buildings and Contents	Replacement Cost	
	Contractors Equipment	Actual Cash Value	
	Automobiles	Replacement Cost	
	Boiler and Machinery		
	Limit of Liability	\$125,000,000	
	GCSSD JIF Self Insured Retention	None	
	Member District Deductible		\$1,000
	Crime		
	Limit of Liability	\$500,000	
	GCSSD JIF Self Insured Retention	\$250,000	
	Member District Deductible		\$500
	General and Automobile Liability		
	Limit of Liability	\$20,000,000	
	GCSSD JIF Self Insured Retention	\$250,000	
	Member District Deductible		None
	Worker's Compensation		
	Limit of Liability	Statutory	
	GCSSD JIF Self Insured Retention	\$250,000	
	Member District Deductible		None
	Employer's Legal Liability		
	Limit of Liability	\$10,000,000	
	GCSSD JIF Self Insured Retention	None	
	Member District Deductible		None
	Educator's Legal Liability		
	Limit of Liability	\$20,000,000	
	GCSSD JIF Self Insured Retention	\$250,000	
	Member District Deductible		None
	Commercial Pollution & Mold Legal Liability		
	Limit of Liability	\$3,000,000	
	GCSSD JIF Self Insured Retention	None	
	Member District Deductible		\$25,000
	Member District Deductible (Mold Specific)		\$250,000
	Cyber Legal Liability		
	Limit of Liability	\$2,000,000	
	GCSSD JIF Self Insured Retention Tier-1	None	
	Member District Deductible - Tier 1		\$50,000 / 25%
	Member District Deductible - Tier 2		\$100,000 / 25%
	Crisis Protection & Disaster Management		
	Limit of Liability	\$1,000,000	
	GCSSD JIF Self Insured Retention	None	
	Member District Deductible		\$10,000
Selective Insurance Company	Surety Bond		
	School Board Secretary & Treasurer	\$718,000	

Source: District records

SINGLE AUDIT SECTION

Exhibit K-1

**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
Township of Deptford School District
County of Gloucester

We 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 *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Township of Deptford School District, in the County of Gloucester, 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 School District's basic financial statements, and have issued our report thereon dated January 31, 2025.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance*, as finding number 2024-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Deptford School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and which are described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* as finding numbers 2024-001, 2024-002 and 2024-003.

The Township of Deptford School District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School District's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael P. Cragin, Jr.
Certified Public Accountant
Public School Accountant No. 20CS00255100

Voorhees, New Jersey
January 31, 2025

Exhibit K-2

**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
Township of Deptford School District
County of Gloucester

Report on Compliance for Each Major Federal and State Program

Qualified and Unmodified Opinions

We have audited the Township of Deptford School District's, in the County of Gloucester, 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 each of the School District's major federal and state programs for the fiscal year ended June 30, 2024. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

In our opinion, except for the noncompliance described in the *Basis for Qualified and Unmodified Opinions* section of our report, the Township of Deptford School District, in the County of Gloucester, State of New Jersey, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Coronavirus State and Local Fiscal Recovery Funds for the fiscal year ended June 30, 2024.

Unmodified Opinion on Each of the Other Major Federal and State Programs

In our opinion, the Township of Deptford School District, in the County of Gloucester, State of New Jersey, 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 other major federal and state programs identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs* for the fiscal year ended June 30, 2024.

Basis for Qualified and Unmodified Opinions

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

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

Matter Giving Rise to Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds

As described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance*, the School District did not comply with requirements regarding Assistance Listing No. 21.027 Coronavirus State and Local Fiscal Recovery Funds as described in finding number 2024-004 for Reporting.

Compliance with such requirements is necessary, in our opinion, for the School District to comply with the requirements applicable to that program.

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 School District's federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards*; the Office of School Finance, Department of Education, State of New Jersey; Uniform Guidance; and State of New Jersey 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, it would influence the judgement made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal and state program as a whole.

Auditor's Responsibilities for the Audit of Compliance (Cont'd)

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, we:

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

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the New Jersey Circular 15-08-OMB and which is described in the accompanying *Schedule of Findings and Questioned Costs* and *Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* as finding number 2024-005. Our opinion on each major federal and state program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Township of Deptford School District's response to the noncompliance findings identified in our audit described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a material weakness.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying *Schedule of Findings and Questioned Costs* as finding number 2024-004 to be a material weakness.

Report on Internal Control over Compliance (Cont'd)

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

Government Auditing Standards requires the auditor to perform limited procedures on the Township of Deptford School District's response to the internal control over compliance findings identified in our audit described in the accompanying *Schedule of Findings and Questioned Costs*. The School District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael P. Cragin, Jr.
Certified Public Accountant
Public School Accountant No. 20CS00255100

Voorhees, New Jersey
January 31, 2025

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

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-Through Entity Identifying Number	Award Amount	Grant Period From To	
General Fund:							
U.S. Department of Health and Human Services:							
Passed-through the State Department of Health and Human Services:							
Medicaid Cluster							
Medical Assistance Program (SEMI)	93.778	N/A	2005NJ5MAP	N/A	\$ 94,710.11	7-1-23	6-30-24
Total Medical Assistance Program (Medicaid) Cluster							
Special Revenue Fund:							
U.S. Department of Education:							
Passed-through State Department of Education:							
E.S.S.A.:							
Title I Grants to Local Educational Agencies	84.010	N/A	S010A230030	NCLB552023	791,263.00	7-1-22	9-30-23
Title I Grants to Local Educational Agencies	84.010	N/A	S010A240030	NCLB552024	1,003,583.00	7-1-23	9-30-24
Total Title I Grants to Local Educational Agencies							
Supporting Effective Instruction State Grants (Title II)	84.367A	N/A	S367A230029	NCLB552023	113,718.00	7-1-22	9-30-23
Supporting Effective Instruction State Grants (Title II)	84.367A	N/A	S367A240029	NCLB552024	202,769.00	7-1-23	9-30-24
Total Supporting Effective Instruction State Grants (Title II)							
English Language Acquisition Grants (Title III)	84.365	N/A	S365A230030	NCLB552023	8,282.00	7-1-22	9-30-23
English Language Acquisition Grants (Title III)	84.365	N/A	S365A240030	NCLB552024	29,513.00	7-1-23	9-30-24
English Language Acquisition Grants (Title III - Immigrant)	84.365	84.365A	S365A240030	NCLB552024	2,873.00	7-1-23	9-30-24
Total English Language Acquisition Grants							
Student Support and Academic Enrichment Grants (Title IV)	84.424	N/A	S424A230031	NCLB552023	55,158.00	7-1-22	9-30-23
Student Support and Academic Enrichment Grants (Title IV)	84.424	N/A	S424A240031	NCLB552024	50,487.00	7-1-23	9-30-24
Total Student Support and Academic Enrichment Grants							
Individuals with Disabilities Education Act (I.D.E.A.):							
Special Education Cluster (I.D.E.A.)							
Special Education - Grants to States - Part B	84.027	84.027A	H027A230100	IDEA540023	1,285,807.00	7-1-22	9-30-23
Special Education - Grants to States - Part B	84.027	84.027A	H027A240100	IDEA540024	1,202,673.00	7-1-23	9-30-24
Total Special Education - Grants to States (I.D.E.A., Part B)							
Special Education - Preschool Grants (I.D.E.A. Preschool)	84.173	84.173A	H173A230114	IDEA540023	40,423.00	7-1-22	9-30-23
Special Education - Preschool Grants (I.D.E.A. Preschool)	84.173	84.173A	H173A240114	IDEA540024	40,676.00	7-1-23	9-30-24
Total Special Education - Preschool Grants (I.D.E.A. Preschool)							
Total I.D.E.A. Special Education Cluster							
Economic Security Act - Elementary & Secondary Emergency Relief:							
Mental Health - ESSER II	84.425	84.425D, COVID-19	S425D210027	N/A	45,000.00	3-13-20	9-30-23
Total Economic Security Act - Elementary & Secondary Emergency Relief							
American Rescue Plan Elementary and Secondary School Emergency							
ARP- ESSER III	84.425	84.425U, COVID-19	S425U210027	N/A	3,662,596.00	3-13-20	9-30-24
ARP Learning Acceleration - ESSER III	84.425	84.425U, COVID-19	S425U210027	N/A	361,660.00	3-13-20	9-30-24
ARP Summer Learning - ESSER III	84.425	84.425U, COVID-19	S425U210027	N/A	40,000.00	3-13-20	9-30-24
ARP Beyond the School Day - ESSER III	84.425	84.425U, COVID-19	S425U210027	N/A	40,000.00	3-13-20	9-30-24
ARP Mental Health - ESSER III	84.425	84.425U, COVID-19	S425U210027	N/A	45,000.00	3-13-20	9-30-24
ARP Mental Health - ESSER III	84.425	84.425U, COVID-19	S425U210027	N/A	43,199.00	3-13-20	9-30-24
Total American Rescue Plan Elementary and Secondary School Emergency							
Education Stabilization Fund*							
Carl D. Perkins - Secondary	84.048	N/A	V048A230030	PERK552023	14,657.00	7-1-22	6-30-23
Carl D. Perkins - Secondary	84.048	N/A	V048A240030	PERK552024	15,358.00	7-1-23	6-30-24
Total Carl D. Perkins - Secondary							
U.S. Department of Treasury:							
Passed-through the State Department of Education:							
Coronavirus State and Local Fiscal Recovery Funds:							
Additional or Compensatory Special Education & Related Services	21.027	COVID-19	S425D200027	N/A	298,421.00	7-1-21	6-30-22
Additional or Compensatory Special Education & Related Services	21.027	COVID-19	S425D200027	N/A	350,600.00	7-1-23	6-30-24
Total Coronavirus State and Local Fiscal Recovery Funds							

Total Special Revenue Fund

(Continued)

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

Balance June 30, 2023		Budgetary Expenditures						Balance June 30, 2024		
Unearned Revenue (Accounts Receivable)	Due to Grantor	Cash Received	Adjustments	Pass-Through Funds	Direct Funds	Total Budgetary Expenditures	Passed- Through to Subrecipients	Accounts Receivable	Unearned Revenue	Due to Grantor
		\$ 74,388.69		\$ 94,710.11		\$ 94,710.11		\$ (20,321.42)		
\$ -	\$ -	74,388.69	\$ -	94,710.11	\$ -	94,710.11	\$ -	(20,321.42)	\$ -	\$ -
(282,463.00)		282,463.00 478,746.00		730,709.00		730,709.00		(360,460.00)	108,497.00	
(282,463.00)	-	761,209.00	-	730,709.00	-	730,709.00	-	(360,460.00)	108,497.00	-
(17,069.00)		17,069.00 86,192.00		121,492.00		121,492.00		(116,577.00)	81,277.00	
(17,069.00)	-	103,261.00	-	121,492.00	-	121,492.00	-	(116,577.00)	81,277.00	-
(2,199.00)		2,199.00 8,837.00 558.00		15,896.00 558.00		15,896.00 558.00		(20,676.00) (2,315.00)	13,617.00 2,315.00	
(2,199.00)	-	11,594.00	-	16,454.00	-	16,454.00	-	(22,991.00)	15,932.00	-
(27,274.00)		27,274.00 9,198.00		46,889.00		46,889.00		(41,289.00)	3,598.00	
(27,274.00)	-	36,472.00	-	46,889.00	-	46,889.00	-	(41,289.00)	3,598.00	-
(707,562.00)		707,562.00 1,060,649.00		1,202,673.00		1,202,673.00		(142,024.00)		
(707,562.00)	-	1,768,211.00	-	1,202,673.00	-	1,202,673.00	-	(142,024.00)	-	-
(40,423.00)		40,423.00 32,307.00		40,676.00		40,676.00		(8,369.00)		
(40,423.00)	-	72,730.00	-	40,676.00	-	40,676.00	-	(8,369.00)	-	-
(747,985.00)	-	1,840,941.00	-	1,243,349.00	-	1,243,349.00	-	(150,393.00)	-	-
(20,294.00)		20,294.00								
(20,294.00)	-	20,294.00	-	-	-	-	-	-	-	-
(251,480.93)		578,084.00 37,131.00 2,466.00 8,820.00 18,050.00		308,522.00 260,367.00 35,000.00 40,000.00 45,000.00 43,199.00		308,522.00 260,367.00 35,000.00 40,000.00 45,000.00 43,199.00		(49,643.00) (324,529.00) (37,534.00) (31,180.00) (26,950.00)	67,724.07 101,293.00 5,000.00	
43,199.00										
(208,281.93)	-	644,551.00	-	732,088.00	-	732,088.00	-	(469,836.00)	174,017.07	-
(228,575.93)	-	664,845.00	-	732,088.00	-	732,088.00	-	(469,836.00)	174,017.07	-
(14,657.00)		14,657.00 1,230.00		15,583.00		15,583.00		(14,353.00)		
(14,657.00)	-	15,887.00	-	15,583.00	-	15,583.00	-	(14,353.00)	-	-
(58,482.00)		58,482.00 15950.00		343,086.76		343,086.76		(327,136.76)		
(58,482.00)	-	74,432.00	-	343,086.76	-	343,086.76	-	(327,136.76)	-	-
(1,378,704.93)	-	3,508,641.00	-	3,249,650.76	-	3,249,650.76	-	(1,503,035.76)	383,321.07	-

(Continued)

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

Federal Grantor / Pass-through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Additional Award Identification	Federal FAIN Number	Pass-Through Entity Identifying Number	Award Amount	Grant Period From To	
Enterprise Fund:							
U.S. Department of Agriculture:							
Passed-through State Department of Education:							
Child Nutrition Cluster:							
National School Lunch Program	10.555	N/A	231NJ304N1199	N/A	\$ 710,304.65	10-1-22	9-30-23
National School Lunch Program	10.555	N/A	241NJ304N1099	N/A	672,095.86	10-1-23	9-30-24
National School Lunch Program - Commodities (Noncash)	10.555	N/A	241NJ304N1099	N/A	202,416.30	10-1-23	9-30-24
Supply Chain Assistance	10.555	COVID-19	231NJ344N8903	N/A	96,671.02	10-1-23	9-30-24
After School Snacks	10.555	N/A	231NJ304N1199	N/A	6,299.91	10-1-22	9-30-23
After School Snacks	10.555	N/A	241NJ304N1099	N/A	7,591.95	10-1-23	9-30-24
Total National School Lunch Program							
School Breakfast Program	10.553	N/A	231NJ304N1199	N/A	195,040.09	10-1-22	9-30-23
School Breakfast Program	10.553	N/A	241NJ304N1099	N/A	229,399.81	10-1-23	9-30-24
Total School Breakfast Program							
Total Child Nutrition Cluster							
U.S. Department of Education:							
Passed-through State Department of Human Services:							
American Rescue Plan Elementary and Secondary School Emergency ARP - Child Care Stabilization Grant*	84.425	COVID-19	N/A	N/A	495,000.00	9-1-21	12-31-23
Total Enterprise Fund							
Total Federal Financial Assistance							
*Total Education Stabilization Fund	84.425	84.425D, 84.425U, COVID-19			4,732,455.00	3-13-20	9-30-24

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

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

Balance June 30, 2023			Budgetary Expenditures					Balance June 30, 2024		
Unearned Revenue (Accounts Receivable)	Due to Grantor	Cash Received	Adjustments	Pass-Through Funds	Direct Funds	Total Budgetary Expenditures	Passed- Through to Subrecipients	Accounts Receivable	Unearned Revenue	Due to Grantor
\$ (44,798.28)	\$ 15,095.04	\$ 44,798.28								\$ 15,095.04
		636,478.04		\$ 672,095.86		\$ 672,095.86		\$ (35,617.82)		
		202,416.30		202,416.30		202,416.30				
		96,671.02		96,671.02		96,671.02				
(332.01)		332.01								
		7,152.87		7,591.95		7,591.95		(439.08)		
(45,130.29)	15,095.04	987,848.52	\$ -	978,775.13	\$ -	978,775.13	\$ -	(36,056.90)	\$ -	15,095.04
(14,175.06)	2,440.96	14,175.06								2,440.96
		219,330.43		229,399.81		229,399.81		(12,303.40)		2,234.02
(14,175.06)	2,440.96	233,505.49	-	229,399.81	-	229,399.81	-	(12,303.40)	-	4,674.98
(59,305.35)	17,536.00	1,221,354.01	-	1,208,174.94	-	1,208,174.94	-	(48,360.30)	-	19,770.02
249,753.05	-	-	-	249,753.05	-	249,753.05	-	-	-	-
190,447.70	17,536.00	1,221,354.01	-	1,457,927.99	-	1,457,927.99	-	(48,360.30)	-	19,770.02
\$ (1,188,257.23)	\$ 17,536.00	\$ 4,804,383.70	\$ -	\$ 4,802,288.86	\$ -	\$ 4,802,288.86	\$ -	\$ (1,571,717.48)	\$ 383,321.07	\$ 19,770.02
\$ 21,177.12	\$ -	\$ 664,845.00	\$ -	\$ 981,841.05	\$ -	\$ 981,841.05	\$ -	\$ (469,836.00)	\$ 174,017.07	\$ -

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

						Balance June 30, 2023	
State Grantor/ Program Title	State Project Number	Program or Award Amount	Matching	Grant Period		Unearned Revenue/ (Accounts Receivable)	Due to Grantor
				From	To		
General Fund:							
State Department of Education:							
State Aid - Public:							
Equalization Aid	23-495-034-5120-078	\$ 21,731,033.00	N/A	7-1-22	6-30-23	\$ (2,063,278.52)	
Equalization Aid	24-495-034-5120-078	23,892,592.00	N/A	7-1-23	6-30-24		
School Choice	23-495-034-5120-068	88,643.00	N/A	7-1-22	6-30-23	(8,416.31)	
School Choice	24-495-034-5120-068	111,718.00	N/A	7-1-23	6-30-24		
Special Education Categorical Aid	23-495-034-5120-089	3,003,933.00	N/A	7-1-22	6-30-23	(285,211.96)	
Special Education Categorical Aid	24-495-034-5120-089	3,946,819.00	N/A	7-1-23	6-30-24		
Security Aid	23-495-034-5120-084	483,815.00	N/A	7-1-22	6-30-23	(45,936.38)	
Security Aid	24-495-034-5120-084	483,815.00	N/A	7-1-23	6-30-24		
Total State Aid - Public						(2,402,843.17)	\$ -
Transportation Aid:							
Categorical Transportation Aid	23-495-034-5120-014	1,711,578.00	N/A	7-1-22	6-30-23	(162,507.79)	
Categorical Transportation Aid	24-495-034-5120-014	1,711,578.00	N/A	7-1-23	6-30-24		
Additional Nonpublic School Transportation Aid	23-495-034-5120-014	72,323.00	N/A	7-1-22	6-30-23	(72,323.00)	
Additional Nonpublic School Transportation Aid	24-495-034-5120-014	73,321.00	N/A	7-1-23	6-30-24		
Total Transportation Aid						(234,830.79)	-
Tuition Reimbursement for Homeless Students	24-495-034-5120-078	24,321.00	N/A	7-1-23	6-30-24	-	-
Extraordinary Aid	23-495-034-5120-044	910,571.00	N/A	7-1-22	6-30-23	(966,200.00)	
Extraordinary Aid	24-495-034-5120-044	1,061,311.00	N/A	7-1-23	6-30-24		
Total Extraordinary Aid						(966,200.00)	-
T.P.A.F. Social Security Aid	23-495-034-5094-003	2,393,701.50	N/A	7-1-22	6-30-23	(118,639.82)	
T.P.A.F. Social Security Aid	24-495-034-5094-003	2,493,952.15	N/A	7-1-23	6-30-24		
Total T.P.A.F. Social Security Aid						(118,639.82)	-
On-behalf T.P.A.F. Pension Contributions							
Post Retirement Medical	24-495-034-5094-001	3,132,516.00	N/A	7-1-23	6-30-24		
Normal Cost	24-495-034-5094-002	11,379,907.00	N/A	7-1-23	6-30-24		
Non-contributory Insurance	24-495-034-5094-004	129,782.00	N/A	7-1-23	6-30-24		
Long-Term Disability Insurance	24-495-034-5094-004	3,941.00	N/A	7-1-23	6-30-24		
Total On-Behalf TPAF Pension Contributions						-	-
Total General Fund						(3,722,513.78)	-
Special Revenue Fund:							
State Department of Education:							
Preschool Education Aid	23-495-034-5120-086	3,134,134.00	N/A	7-1-22	6-30-23	573,828.58	
Preschool Education Aid	24-495-034-5120-086	3,851,215.00	N/A	7-1-23	6-30-24		
Total Preschool Education Aid						573,828.58	-
IDEAL Grant	Not Available	41,566.00	N/A	7-1-08	6-30-09	48,883.00	-
Include Grant	Not Available	226,000.00	N/A	7-1-08	6-30-09	32,288.00	
Include Grant	Not Available	240,000.00	N/A	7-1-09	6-30-10	3,239.00	
Total Include Grant						35,527.00	-
Crossing Guard Arm	Not Available	600.00	N/A	7-1-08	6-30-09	600.00	-
Emergent Needs and Capital Maintenance	Not Available	94,736.00	N/A	7-1-21	open	188,929.00	-
NJ Center for Teacher/Learn Math	Not Available	25,000.00	N/A	7-1-08	6-30-09	5,447.00	
NJ Center for Teacher/Learn Math	Not Available	25,000.00	N/A	7-1-09	6-30-10	27.00	
Total NJ Center for Teacher/Learn Math						5,474.00	-
Climate Awareness	Not Available	6,452.00	N/A	4-1-23	6-30-23	-	-
Total Special Revenue Fund						853,241.58	-

(Continued)

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

Cash Received	Budgetary Expenditures	Passed- Through to Subrecipients	Repayment of Prior Years' Balances	Balance June 30, 2024			Memo	
				Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2024	Cumulative Total Expenditures
\$ 2,063,278.52								\$ 21,731,033.00
21,612,179.01	\$ 23,892,592.00			\$ (2,280,412.99)			\$ (2,280,412.99)	23,892,592.00
8,416.31								88,643.00
101,055.15	111,718.00			(10,662.85)			(10,662.85)	111,718.00
285,211.96								3,003,933.00
3,570,117.42	3,946,819.00			(376,701.58)			(376,701.58)	3,946,819.00
45,936.38								483,815.00
437,637.59	483,815.00			(46,177.41)			(46,177.41)	483,815.00
28,123,832.34	28,434,944.00	\$ -	\$ -	(2,713,954.83)	\$ -	\$ -	(2,713,954.83)	53,742,368.00
162,507.79								1,711,578.00
1,548,217.55	1,711,578.00			(163,360.45)			(163,360.45)	1,711,578.00
72,323.00								72,323.00
	73,321.00			(73,321.00)				73,321.00
1,783,048.34	1,784,899.00	-	-	(236,681.45)	-	-	(163,360.45)	3,568,800.00
-	24,321.00	-	-	(24,321.00)	-	-	-	24,321.00
966,200.00								910,571.00
	1,061,311.00			(1,061,311.00)				1,061,311.00
966,200.00	1,061,311.00	-	-	(1,061,311.00)	-	-	-	1,971,882.00
118,639.82								2,393,701.50
2,369,362.16	2,493,952.15			(124,589.99)				2,493,952.15
2,488,001.98	2,493,952.15	-	-	(124,589.99)	-	-	-	4,887,653.65
3,132,516.00	3,132,516.00							3,132,516.00
11,379,907.00	11,379,907.00							11,379,907.00
129,782.00	129,782.00							129,782.00
3,941.00	3,941.00							3,941.00
14,646,146.00	14,646,146.00	-	-	-	-	-	-	14,646,146.00
48,007,228.66	48,445,573.15	-	-	(4,160,858.27)	-	-	(2,877,315.28)	78,841,170.65
297,574.04	261.00				871,141.62			2,269,477.31
3,483,638.28	3,396,691.92			(367,576.72)	454,523.08		(367,576.72)	3,851,215.00
3,781,212.32	3,396,952.92	-	-	(367,576.72)	1,325,664.70	-	(367,576.72)	6,120,692.31
-	-	-	-	-	48,883.00	-	-	-
					32,288.00			
					3,239.00			
-	-	-	-	-	35,527.00	-	-	-
-	-	-	-	-	600.00	-	-	-
99,494.00	99,494.00	-	-	-	188,929.00	-	-	-
					5,447.00			
					27.00			
-	-	-	-	-	5,474.00	-	-	-
6,452.00	6,452.00	-	-	-	-	-	-	6,452.00
3,887,158.32	3,502,898.92	-	-	(367,576.72)	1,605,077.70	-	(367,576.72)	6,127,144.31

(Continued)

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

State Grantor/ Program Title	State Project Number	Program or Award Amount	Matching	Grant Period		Balance June 30, 2023	
				From	To	Unearned Revenue/ (Accounts Receivable)	Due to Grantor
Debt Service Fund							
State Department of Education:							
Debt Service Aid	24-495-034-5120-075	\$ 339,930.00	N/A	7-1-23	6-30-24	\$ -	\$ -
Enterprise Fund:							
State School Breakfast Aid	23-495-010-3350-002	3,853.50	N/A	7-1-22	6-30-23	(295.50)	
State School Breakfast Aid	24-495-010-3350-002/006	20,143.90	N/A	7-1-23	6-30-24		
State School Lunch Aid	23-495-010-3350-001/002	38,068.19	N/A	7-1-22	6-30-23	(1,808.91)	
State School Lunch Aid	24-495-010-3350-001/002/006	35,598.62	N/A	7-1-23	6-30-24		
Total Enterprise Fund						(2,104.41)	-
Total State Financial Assistance						\$ (2,871,376.61)	\$ -
Less: State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of Education:							
On-behalf T.P.A.F. Pension Contributions							
Post Retirement Medical	24-495-034-5094-001	3,132,516.00	N/A	7-1-23	6-30-24		
Normal Cost	24-495-034-5094-002	11,379,907.00	N/A	7-1-23	6-30-24		
Non-contributory Insurance	24-495-034-5094-004	129,782.00	N/A	7-1-23	6-30-24		
Long-Term Disability Insurance	24-495-034-5094-004	3,941.00	N/A	7-1-23	6-30-24		
Total General Fund (Non-Cash Assistance)							
Total State Financial Assistance subject to Major Program Determination for State Single Audit							

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

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

<u>Cash Received</u>	<u>Budgetary Expenditures</u>	<u>Passed- Through to Subrecipients</u>	<u>Repayment of Prior Years' Balances</u>	<u>Balance June 30, 2024</u>			<u>Memo</u>	
				<u>Accounts Receivable</u>	<u>Unearned Revenue</u>	<u>Due to Grantor</u>	<u>Budgetary Receivable June 30, 2024</u>	<u>Cumulative Total Expenditures</u>
\$ 339,930.00	\$ 339,930.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 339,930.00
295.50								3,853.50
19,620.40	20,143.90			(1,111.40)		587.90		20,143.90
1,808.91								38,068.19
33,654.84	35,598.62			(1,943.78)				35,598.62
55,379.65	55,742.52	-	-	(3,055.18)	-	587.90	-	97,664.21
<u>\$ 51,949,766.63</u>	52,344,144.59	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,531,490.17)</u>	<u>\$ 1,605,077.70</u>	<u>\$ 587.90</u>	<u>\$ (3,244,892.00)</u>	<u>\$ 85,065,979.17</u>

3,132,516.00
11,379,907.00
129,782.00
3,941.00

14,646,146.00

\$ 37,697,998.59

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT

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

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance ("the schedules") include federal and state award activity of the Township of Deptford School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the debt service fund are presented using the modified accrual basis of accounting and programs recorded in the enterprise funds 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. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) 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*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The expenditures reflected in the schedules are presented at the federal and state participation level; thus, any matching portion is not included.

Note 3: INDIRECT COST RATE

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

**Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance (Cont'd)**

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$311,964.32 for the general fund and \$(420,425.40) for 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.

The revenues reported on a GAAP basis from the basic financial statements with a reconciliation to the reported amounts on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 94,710.11	\$ 48,133,608.83	\$ 48,228,318.94
Special Revenue	3,154,859.49	4,018,115.59	7,172,975.08
Debt Service		339,930.00	339,930.00
Child-care Program	249,753.05		
Food Service	1,208,174.94	55,742.52	1,263,917.46
	<u>4,707,497.59</u>	<u>52,547,396.94</u>	<u>57,005,141.48</u>
GAAP Basis Revenues			
GAAP Adjustments:			
State Aid Payments		381,967.00	381,967.00
Change in carryover of Preschool			
Carryover Funds		(454,262.08)	(454,262.08)
Encumbrances	94,791.27	(130,957.27)	(36,166.00)
	<u>94,791.27</u>	<u>(203,252.35)</u>	<u>(108,461.08)</u>
Total Awards and Financial Assistance Expended	<u>\$ 4,802,288.86</u>	<u>\$ 52,344,144.59</u>	<u>\$ 56,896,680.40</u>

Note 5: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 6: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2024, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

Note 7: MAJOR PROGRAMS

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

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

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes x no

Significant deficiency(ies) identified? x yes none reported

Noncompliance material to financial statements noted? x yes no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? x yes no

Significant deficiency(ies) identified? yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? x yes no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
		<u>I.D.E.A. Special Education Cluster</u>
<u>84.027</u>	<u>H027A230100</u>	<u>Special Education - Grants to States - Part B</u>
<u>84.173</u>	<u>H173A230114</u>	<u>Special Education - Preschool Grants (I.D.E.A. Preschool)</u>
		<u>Coronavirus State and Local Fiscal Recovery Funds</u>
<u>21.027</u>	<u>S425D200027</u>	<u>Additional or Compensatory Special Education & Related Services</u>

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

Auditee qualified as low-risk auditee? x yes no

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

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified? _____ yes x none reported

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

Any audit findings disclosed that are required to be reported in
accordance with New Jersey Circular 15-08-OMB? _____ x _____ yes _____ no

Identification of major programs:

<u>State Grant / Project #</u>	<u>Name of State Program</u>
	State Aid - Public:
495-034-5120-078	Equalization Aid
495-034-5120-068	School Choice
495-034-5120-084	Security Aid
495-034-5120-089	Special Education Aid
495-034-5094-003	T.P.A.F. Social Security Aid
495-034-5120-086	Preschool Education Aid

Dollar threshold used to distinguish between type A and type B programs: \$ 1,130,940

Auditee qualified as low-risk auditee? _____ x _____ yes _____ no

TOWNSHIP OF DEPTFORD 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, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements related to financial statements for which *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, requires.

Finding No. 2024-001

Criteria or Specific Requirement

Per the School District Audit Program, school districts are required to have an accurate list of purchase orders for which the goods have been received or the services have been rendered at June 30th, but that have not been paid.

Condition

During our audit, we noted that the internal controls over recording and monitoring of the purchase order / accounts payable accounting system were insufficient to provide an accurate list of purchase orders as of June 30, 2024.

Context

During our testing of recorded and unrecorded liabilities, we noted several invoices that were not correctly classified as accounts payable or encumbrances.

Effect or Potential Effect

Not properly monitoring the budget charging process of purchase orders could result in over-expenditures or incorrect reporting of financial statements.

Cause

There was a breakdown in internal controls over proper reporting of the accounts payable and encumbrance classification.

Identification as a Repeat Finding

The condition existed in the immediately preceding fiscal year - See Finding No. 2023-001.

Recommendation

That the School District improve their internal controls over recording and monitoring of the purchase order / accounts payable accounting system to ensure that the School District is in compliance with School District Audit Program.

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.

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

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2024-002

Criteria or Specific Requirement

Title 7 CFR Section 210.14 Resource Management (b) Net cash resources. The school food authority shall limit its net cash resources to an amount that does not exceed 3 months average expenditures for its nonprofit school food service or such other amount may be approved by the State agency in accordance with 7 CFR Section 210.19(a).

Condition

The School District's food service fund net cash resources exceeded its three months average expenditures by \$542,123.63.

Context

Per the calculation of the food service fund's net cash resources, net cash resources at June 30, 2024 was \$1,083,557.89 and its three month average expenditures was \$541,991.50, resulting in an overage of \$541,380.65.

Effect or Potential Effect

The School District is not in compliance with 7 CFR section 210.14 and requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey Audit Program.

Cause

The School District's food service fund revenues increased during the prior three years due to additional COVID-19 funding.

Identification as a Repeat Finding

The condition existed in the immediately preceding fiscal year - See Finding No. 2023-005.

Recommendation

That the School District develop a plan to reduce the food service fund's net cash resources below its three month average expenditures.

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.

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

Section 2- Schedule of Financial Statement Findings (Cont'd)

Finding No. 2024-003

Criteria or Specific Requirement

School Districts must complete the District Report of Transported Resident Students (DRTRS) in accordance with instructions provided by the Office of School Finance, Department of Education. School Districts must complete a set of workpapers that document the compilation of data and retain supporting documentation that provide and audit trail for testing the information reported on the DRTRS report.

Condition

Several differences were identified between the School District's supporting documentation and the submitted DRTRS report.

Context

Our tests of students reported on the DRTRS report disclosed the following:

- 35 students should have been reported as special ed.
- 2 students were not listed on the school rosters.
- 1 Aid-in-lieu charter student tested were incorrectly reported.
- 1 transported non-public student tested should not have been included in the report.
- 2 Special education without transportation needs student were incorrectly reported.
- 1 student reported as Private School for the Handicapped with transportation needs was incorrectly reported

Effect or Potential Effect

Thirty-eight students were inaccurately reported on the DRTRS Report.

Cause

The School District has to account for a large number of students and the differences noted are relatively small in nature and are easily overlooked.

Identification as a Repeat Finding

This condition did not exist in the preceding fiscal year.

Recommendation

That the submitted DRTRS report agrees to the School District's supporting documentation.

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.

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

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major Federal 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).

Finding No. 2024-004

Information on the Federal Program

U.S. Department of Treasury
Passed-through the State Department of Education
Coronavirus State and Local Fiscal Recovery Funds
Additional or Compensatory Special Education & Related Services (Assistance Listing No. 21.027)

Criteria or Specific Requirement

In accordance with the grant agreement and reporting requirements, expenditures reported should be based on expenses that have been incurred. Applications must be reviewed for accuracy prior to submission.

Condition

The supporting documentation for expenses that the School District incurred did not agree to amounts requested for reimbursement.

Questioned Costs

Known and likely questioned costs did not exceed \$25,000.00.

Context

During our audit of expenditures, we noted that the School District included a duplicate invoice in the amount that was requested for reimbursement. Additionally, there were expenditures claimed on the application based on estimated amounts, when the actual amounts paid were less than the estimate. Finally, we noted that the School District did not include all applicable costs when filling out the costs on the application.

Effect or Potential Effect

As a result of the School District's noncompliance with the reporting requirements for the federal award, the potential exists that the School District may be responsible for reimbursing the grantor agency.

Cause

There was a breakdown in internal controls over proper reporting for the Federal grant.

Identification as a Repeat Finding

This condition did not exist in the preceding fiscal year.

Recommendation

That applications for reimbursement for the Additional or Compensatory Special Education & Related Services grant are reviewed to ensure that supporting documentation agrees to amounts requested for reimbursement.

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.

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

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and significant instances of abuse related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

Finding No. 2024-005

Information on the State Program

State Aid Public:	
Equalization Aid	Grant No. 495-034-5120-078
Special Education Categorical Aid	Grant No. 495-034-5120-089
Security Aid	Grant No. 495-034-5120-084
School Choice Aid	Grant No. 495-034-5120-098

Criteria or Specific Requirement

School Districts must complete the Application for State School Aid (A.S.S.A.) in accordance with instructions provided by the Office of School Finance, Department of Education. School Districts must complete a set of workpapers that document the compilation of data and retain supporting documentation that provides an audit trail for testing the information reported on the A.S.S.A. report.

Condition

The School District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. report and as a result, differences were identified.

Questioned Costs

N/A - None

Context

Our test of the A.S.S.A. low income students indicated the following:

1. The total number of free students reported was over reported by a net of 19 students.
2. The total number of reduced students was over reported by a net of 13 students.

Effect or Potential Effect

The number of differences could not be verified and may have an impact on the School District's State Aid allocation.

Cause

The School District failed to ensure that students were reported correctly based on the available documentation and/or failed to maintain proper supporting documentation.

Identification as a Repeat Finding

This finding existed in the prior year as finding number 2023-006.

Recommendation

That the School District's workpapers and corresponding documentation agree with the submitted Application for State School Aid (A.S.S.A.) report.

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.

TOWNSHIP OF DEPTFORD 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 awards and state financial assistance that are required to be reported in accordance with *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 State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2023-001

Condition

During our audit, we noted that the internal controls over recording and monitoring of the purchase order / accounts payable accounting system were insufficient to provide an accurate list of purchase orders as of June 30, 2023.

Current Status

This finding continues to exist as finding number 2024-001.

Planned Corrective Action

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

Finding No. 2023-002

Condition

The School District failed to maintain proper time and activity reports for employees charged to the Title I grant.

Current Status

This condition has been resolved.

FEDERAL AWARDS

Finding No. 2023-003

Information on the Federal Program

Child Nutrition Cluster	
National School Lunch Program	Federal Assistance Listing No. 10.555
School Breakfast Program	Federal Assistance Listing No. 10.553

Condition

The documentation related to the School District's verification report was not available for audit.

Current Status

This condition has been resolved.

TOWNSHIP OF DEPTFORD SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

FEDERAL AWARDS (CONT'D)

Finding No. 2023-004

Information on the Federal Program

Child Nutrition Cluster	
National School Lunch Program	Federal Assistance Listing No. 10.555
School Breakfast Program	Federal Assistance Listing No. 10.553

Condition

In several instances the food service daily meal count report did not agree with the School District's edit check worksheets that detail the number of meals served and provides the number of meals used to determine the amount of Federal reimbursement.

Current Status

This condition has been resolved.

Finding No. 2023-005

Information on the Federal Program

Child Nutrition Cluster	
National School Lunch Program	Federal Assistance Listing No. 10.555
School Breakfast Program	Federal Assistance Listing No. 10.553

Condition

The School District's net cash resources exceeded 3 months average expenditures for its nonprofit school food service.

Current Status

This finding continues to exist as finding number 2024-002.

Planned Corrective Action

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

STATE FINANCIAL ASSISTANCE PROGRAMS

Finding No. 2023-006

Information on the State Program

State Aid Public:	
Equalization Aid	Grant No. 495-034-5120-078
Special Education Categorical Aid	Grant No. 495-034-5120-089
Security Aid	Grant No. 495-034-5120-084
School Choice Aid	Grant No. 495-034-5120-098

Condition

The School District's workpapers and corresponding documentation did not agree with the submitted A.S.S.A. report and as a result, differences were identified.

Current Status

This finding continues to exist as finding number 2024-005.

Planned Corrective Action

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

